PROCESSORS AND GROWERS RESEARCH ORGANISATION

England & Wales · Charity number 284077

Details

Other names	P G R O
Status	Registered
Legal form	Charitable company
Company number	00567232
Registered	1982-06-11
Register	View on the Charity Commission register

Contact

Address	The Research Station Great North Road Thornhaugh Peterborough PE8 6HJ
Phone	01780782858
Email	info@pgro.org
Website	http://www.pgro.org

Activities

Objects: TO PROMOTE, UNDERTAKE AND ENCOURAGE RESEARCH AND EDUCATION TO IMPROVE THE GROWING, HARVESTING, PROCESSING AND MARKETING OF LEGUMES, AND OTHER CROPS, AND, IN PARTICULAR, TO CARRY OUT SUCH RESEARCH AND EDUCATION AT AND FROM THE RESEARCH STATION, THORNHAUGH, NEAR PETERBOROUGH, AND ELSEWHERE.

Activities: Research on dry harvested peas, vining (freezing) peas plus other legumes and other selected vegetables

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Classification

- **How:** Provides Services, Sponsors Or Undertakes Research
- **What:** Environment/conservation/heritage
- **Who:** Other Defined Groups

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,375,029	£1,390,896	£2,858,801	18
2023-12-31	£1,420,055	£1,311,140	£2,861,280	17
2022-12-31	£1,166,729	£931,962	£2,736,211	17
2021-12-31	£1,324,940	£1,184,500	£2,589,169	17
2020-12-31	£1,199,375	£1,269,786	£2,313,915	19

Trustees

Name	Role	Appointed
CHARLES SARGENT STOWE	Chair	2013-06-19
David John Sedgley		2016-06-07
George James Renner		2021-06-15
James Ashley Maguire		2020-09-08
MR John Richard Stanton Ward		2017-06-13
Michael Shuldham		2021-06-15
Professor Debbie Louise Sparkes		2018-06-19
STEPHEN JOHN FRANCIS		
STEPHEN WILLIAM BUMSTEAD		
Stephen Jeffrey Portas		2016-11-22
Thomas James Yewbrey		2018-06-19

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PROCESSORS AND GROWERS RESEARCH ORGANISATION

England & Wales - Charity number 284077

Accounts

Company registration number: 00567232

Charity registration number: 284077

Processors and Growers Research Organisation

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2024

Forrester Boyd Robson Limited
Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

Processors and Growers Research Organisation

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Processors and Growers Research Organisation

Reference and Administrative Details

Chief Executive Officer and Company Secretary	R G Vickers
Trustees	J R S Ward, Chairman S J Portas, Vice Chairman C S Stowe S W Bumstead S J Francis J M Hopwood J A Maguire G J Renner D J Sedgeley M Shuldham Professor D L Sparkes R Wilson
Senior Management / Leadership Team	R Vickers S Belcher (retired 31 July 2024) B Howard C Judge A Scott
Charity Registration Number	284077
Company Registration Number	00567232
	The charity is incorporated in England and Wales.

Processors and Growers Research Organisation

Reference and Administrative Details

Registered Office	Great North Road Thornhaugh Peterborough PE8 6HJ
Auditor	Forrester Boyd Robson Limited Waynflete House 139 Eastgate Louth Lincolnshire LN11 9QQ
Solicitors	Greenwoods Solicitors Monkstone House City Road Peterborough Cambridgeshire PE1 1JE
Bankers	Clydesdale Bank Plc 10 Church Street Pterborough Lincolnshire PE8 6HJ Lloyds Bank Plc Stamford 65 High Street Stamford Lincolnshire PE9 2AT

Processors and Growers Research Organisation

Strategic Report for the Year Ended 31 December 2024

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 December 2024, in compliance with s414C of the Companies Act 2006.

Financial review

Policy on reserves

The reserves policy considers:
• The nature of current activities and related income and expenditure streams
• The requirement to match variable income with any fixed expenditure commitments
• Any requirement to fulfil longer term liabilities
• Future plans including investment in fixed asset additions or replacements
• The overall business climate and the risks faced by the Charity

The Trustees regularly consider the risk to the Charity of any significant loss of income and also the risk of any unforeseen expenditure, thereby acknowledging the relationship between the risk management and reserves policies. The full effect of government policy in agricultural subsidy reform, the UK exit from the European Union, and instability of world politics on UK agriculture and related research still remains uncertain. Therefore, the Trustees deem it prudent to hold sufficient reserves to mitigate any potential negative impact on future income in order for the Charity to be able to achieve its objectives.

At 31st December 2024, unrestricted funds were £2.86m. The Trustees aim to maintain free reserves in unrestricted funds at a level equating to 35 months of unrestricted charitable expenditure in so far as these funds are not committed to or invested in tangible fixed assets. The Trustees consider this level will provide sufficient funds to
• Apply for external research grants (where match funding is a frequent requirement)
• Participate in external research where in-kind contributions are required
• Consider further sponsorship of PhDs with universities
• Further develop laboratory and molecular diagnostics facilities
• Ensure the Charity's activities are maintained by undertaking industry approved research and development where external funding cannot be obtained
• Ensure seasonal variations of cash inflows due to inherent uncertainty in levy receipts are mitigated
• Replace and extend capital assets as necessary
• Fulfil long term liabilities
• Allow for medium to long term planning

At 31st December 2024 the Group had total reserves of £2.86m (£0.6m in tangible fixed assets and £2.3m in investments and net working capital)

Investment policy and objectives

The investment policy considers:
• The current economic climate
• Future plans
• Contingencies for the variability of levy receipts
• Availability of grant funding
• Stock market implications

The Charity currently holds several long-term investments, the income from which directly contributes to the Charity's objectives. The Charity only invests in medium-risk products with due regard to social, environmental and ethical issues. The Trustees meet at least annually with representatives of the Fund Managers to review investment risk, income generation and capital growth.

Plans for future periods

Aims and key objectives for future periods

PGRO will continue to be principally engaged in high quality applied agricultural research. The Trustees recognise an important aspect of the Charity's work is to contribute to the competitiveness and sustainability of UK legume crop production.

The Charity will continue to respond to appropriate grant funding calls, but the Trustees remain concerned that publicly available funding has reduced in recent years, whilst the grant application process is more competitive. The Trustees are confident the Charity will continue to identify and apply for all appropriate grants by submitting innovative ideas which emphasise the importance of efficient crop production through the most appropriate technology.

Collaborations with relevant industry and academic partners remain an important aspect of the Charity's work to achieve added value from joint working and sharing access to a wider base of skills and experience. The Charity will, insofar as funds permit, continue to expand its co-sponsorship of relevant PhDs complimentary to the Charity's R&D strategy.

Having been reviewed in 2023, the current strategic plan remains in force until the end of 2025. The aim being to ensure it is fit for purpose in the light of identified emerging risks to the Charity and to ensure PGRO remains a solvent and respected and vibrant organisation.

The Charity will continue to engage in knowledge transfer events and produce publications and articles relevant to the agricultural sector and wider audiences as appropriate.

The strategic report was approved by the trustees of the charity on 3 June 2025 and signed on its behalf by:

.....
J R S Ward
Chairman and trustee

Processors and Growers Research Organisation

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2024.

Objectives and activities

Objects and aims

Background

Established in 1944, Processors and Growers Research Organisation (PGRO) conducts innovative research and provides technical services on dry harvested peas, vining (freezing) peas and peas produced for canning operations and on other legumes and selected vegetables as appropriate. With over 70 years of research experience into legumes and other selected vegetable crops the Charity's work is recognised nationally and internationally as a source of reliable and independent technical advice.

Vision and Strategy

PGRO aims to be at the forefront of legume crop innovation and employs staff with specialist skills and knowledge to conduct field and glasshouse trials to improve legume production and evaluate variety and agrochemical quality and performance.

PGRO's scientific activities focus on the importance of soil health, the development of higher yielding crops which are resilient to climate change and environmentally friendly pest and disease control. The benefits of new knowledge are communicated to farmers and growers and to the food industry reliant on productive agriculture.

Mission

PGRO's mission is to:
• Pursue the provision of current advice for growers, the realisation of improved crop yield, quality and economics.
• Facilitate open, accessible, reliable and relevant knowledge exchange.
• Develop progressive and innovative approaches to crop research and development.
• Create and maintain extensive and close links with growers, processors, trade and fundamental research communities.

In fulfilling its mission, PGRO works closely with organisations which are part of the production and/or usage chain including growers, plant breeders, crop protection organisations, processing companies, pulse cleaning organisations and trading specialists. These links are important since it ensures PGRO continues to effectively support UK legume production for both home and export markets.

Trustees' Report

Objectives, strategies and activities

During 2024 PGRO continued to deliver services in accordance with its research objectives and effectively delivered research projects including:

• Nitrogen Climate Smart project – evaluating the potential for increased pulse cropping to influence UK agriculture greenhouse gas emissions and speed the realisation of Net Zero (IUK funded)
• BELIS - Breeding European Legumes for Increased Sustainability (EU funded)
• Pea Protein - addresses the need to replace imported soya protein with English grown protein crops that can meet the market demand for quality and sustainability (IUK funded).
• Alleviating nutritional stress for wider environmental rewards in sustainable UK protein crop production
• PCGIN

The Charity, insofar as funds permitted conducted in-house research:
• Screening the efficacy of products designed to stimulate natural plant processes
• Cover cropping to improve and/or protect soil health
• Inter cropping
• Plant populations to maximise yield
• Understanding of the dynamics of bean foot rot pathogens in the UK
• Molecular tests for pests and diseases
• Downy mildew control using foliar sprays in vining peas
• Bean seed fly (Delia platura) management
• Crop nutrition improvements
• Screening of biostimulant products and bioactive substances
• Integrated crop management techniques
• Pesticide screening for a range of pests, diseases and weeds in peas and beans
• Impact of legumes in multi-year leys/ fallows on crop rotations containing peas and beans

The charitable objective of education is fulfilled by co-sponsoring a rolling programme of PhDs relevant and complimentary to PGRO's research and development strategy. During 2024 these comprised:
• Strategies to optimise pollination of the UK field bean crop (University of Cambridge).
• Understanding the link between N-cycling and bacterial cytoskeleton in the rhizobium-legume symbiosis (University of East Anglia)
• Understanding the diversity of organisms contributing to foot and root rot disease in faba bean in the United Kingdom (University of Newcastle upon Tyne)
• Realising the environmental benefits of faba beans (Vicia faba L.) via optimised nutrition and nitrogen fixation (Harper Adams University)
• Remote sensing and machine learning for the field-scale prediction of maturity and yield in vining pea (Pisum sativum L.) (University of Nottingham)
• The Biology and Integrated Management of Bean Seed Fly. (University of Warwick)

PGRO continued to provide advice and information to stakeholders and undertook knowledge transfer activities. The 2024 joint PGRO/Syngenta roadshows were continued with recordings being made available online to reach a wider audience. The events enable PGRO's experts to inform growers and advisers on developments in pulse crop markets, agronomy and research.

Other knowledge transfer activities included online grower group meetings, production of articles, publications, crop bulletins and fact sheets. During 2024 the series of master class videos were further developed to PGRO's website giving practical advice and information, which received very positive feedback. A podcast series was also begun, "Inside the Pod" is a continuing multi- episode series of informative interviews across the pulse industry, touching topics from research, through crops production to processing and consumption and is broadcast on the main popular podcast hosting platforms.

Experts from PGRO regularly liaise with pulse growing farmers via AHDB's Monitor and Strategic Farms (a nationwide networks of leading farms) and the wider merchant and agronomist network of the UK supply industry, which brings together farmers willing to share performance and best practise information.

PGRO continued to be actively involved with the Yield Enhancement Network linking agricultural organisations and farmers with the focus on closing the gap between current and potential yields in peas and beans.

Public benefit

Globally there are concerns around climate change, population growth and food security. Innovative crop science and technology addresses these pressures by increasing productivity and improving both environmental protection and resource conservation.

PGRO's main objective is to contribute to the advancement of the science of legume (and other crops as appropriate) by undertaking scientific research projects. Additional benefits derived from the Charity meeting its main objective include the advancement of knowledge and environmental improvement.

PGRO's independent and applied research into legume crops translates directly into farm practise, contributing to improvements in product quality and yields and environmentally friendly practises such as seed treatment, plant populations and crop husbandry.

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management

Nature of governing document

Processors and Growers Research Organisation was incorporated in England and Wales on 7th June 1956, and is a company limited by guarantee (registered number 00567232) and a registered charity (number 00284077). It is governed by its Memorandum and Articles of Association which were last amended 7th December 2017.

The Board of Trustees is responsible for the management of PGRO's affairs in accordance with its Memorandum and Articles of Association and meets regularly throughout the year to oversee the Charity's strategic direction and financial probity.

The Trustees have used the UK Charity Governance Code to measure the performance of the Board and its structure. The Code considers a maximum of twelve trustees to be good practice, and whilst PGRO currently has thirteen board members (the Memorandum and Articles of Association allow a maximum of fifteen), the Trustees consider a greater number allows for representation from all the stakeholder groups the Charity engages with. The Trustees are also aware three of the Board members have served for more than the nine years prescribed by the Code. Their reappointment is approved providing they are still professionally active, have indicated their willingness to continue and any negative affect the loss of industry experience would have on the Board if a suitable replacement could not be sourced.

Additionally, the Management and Finance sub-committee (comprising the Chair, Vice-Chair, Chief Executive, Finance Manager and at least two other Board members) meets to:

- Consider strategic issues and make recommendations for full Board approval,
- Review and set remuneration of Charity staff for full Board approval,
- Receive, examine and discuss financial reports,
- Assess business progress against objectives and consider critical business risks,
- Consider health and safety issues,
- Consider capital investment and any other major expenditure for full Board approval,
- Consider all governance issues.

The Chief Executive (appointed by the Trustees) manages the day-to- day operation of the charitable company. To ensure effective operations the Chief Executive and Senior Management Team have delegated authority for all operational matters.

Induction and training of trustees

PGRO recruits Trustees with the relevant skillset to support the Charity's activities. A regularly reviewed induction programme is in place for newly appointed Trustees. All Trustees are encouraged to be familiar with the practical work of the Charity and maintain an understanding of its activities by attending the Charity's premises, events and meetings and engaging with staff

Arrangements for setting key management personnel remuneration

No remuneration or benefit was paid or granted to any Trustee.

Financial instruments

Objectives and policies

The group's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the group's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The group does not use derivative financial instruments for speculative purposes.

Cash flow risk

The group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The group uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.
Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The group's principal financial assets are bank balances and cash, trade and other receivables, and investments.
The group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.
The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.
The group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the group uses a mixture of long-term and short-term debt finance.
Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Trustees' Report

Statement of trustees' responsibilities

The trustees (who are also the directors of Processors and Growers Research Organisation 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. 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 parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the parent charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the parent charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 3 June 2025 and signed on its behalf by:

.....
J R S Ward
Chairman and trustee

Processors and Growers Research Organisation

Independent Auditor's Report to the Members of Processors and Growers Research Organisation

Opinion

We have audited the financial statements of Processors and Growers Research Organisation (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 December 2024, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 parent charity's affairs as at 31 December 2024 and of its 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 auditor 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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

Independent Auditor's Report to the Members of Processors and Growers Research Organisation

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

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

- adequate accounting records have not been kept by the parent charitable company, 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.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 9), 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management around actual and potential litigation claims
- Reviewing financial statement disclosures and testing supporting documentation to assess compliance with applicable laws and regulations
- Performing audit work over the risk of management override of controls, including testing of journal entries, and other adjustments for appropriateness, and reviewing accounting estimates for bias.

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 statement 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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, ommission or misrepresentation.

Independent Auditor's Report to the Members of Processors and Growers Research Organisation

Use of our report

This report is made solely to the charitable parent company's trustees, 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's trustees 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 parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Adam Millson ACA (Senior Statutory Auditor)
For and on behalf of Forrester Boyd Robson Limited, Statutory Auditor

Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

3 June 2025

Processors and Growers Research Organisation

Consolidated Statement of Financial Activities for the Year Ended 31 December 2024 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Charitable activities	3	670,672	114,275	784,947
Investment income	4	69,106	-	69,106
Other trading activities	5	520,976	-	520,976
Total income		1,260,754	114,275	1,375,029
Expenditure on:				
Raising funds	6	(347,631)	-	(347,631)
Charitable activities	7	(841,050)	(202,215)	(1,043,265)
Total expenditure		(1,188,681)	(202,215)	(1,390,896)
Gains/losses on investment assets	15	13,388	-	13,388
Net income/(expenditure)		85,461	(87,940)	(2,479)
Transfers between funds		(87,940)	87,940	-
Net movement in funds		(2,479)	-	(2,479)
Reconciliation of funds				
Total funds brought forward		2,861,280	-	2,861,280
Total funds carried forward	22	2,858,801	-	2,858,801

Processors and Growers Research Organisation

Consolidated Statement of Financial Activities for the Year Ended 31 December 2024 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Charitable activities	3	868,411	95,868	964,279
Investment income	4	46,839	-	46,839
Other trading activities	5	408,937	-	408,937
Total income		1,324,187	95,868	1,420,055
Expenditure on:				
Raising funds	6	(298,508)	-	(298,508)
Charitable activities	7	(755,598)	(257,034)	(1,012,632)
Total expenditure		(1,054,106)	(257,034)	(1,311,140)
Gains/losses on investment assets		16,153	-	16,153
Net income/(expenditure)		286,234	(161,166)	125,068
Transfers between funds		(161,166)	161,166	-
Net movement in funds		125,068	-	125,068
Reconciliation of funds				
Total funds brought forward		2,736,212	-	2,736,212
Total funds carried forward	22	2,861,280	-	2,861,280

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2024 is shown in note 22.

Processors and Growers Research Organisation

(Registration number: 00567232)
Consolidated Balance Sheet as at 31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	13	19,200	-
Tangible assets	14	621,175	557,881
Investments	15	1,512,366	1,498,978
		2,152,741	2,056,859
Current assets			
Debtors	16	424,017	457,027
Cash at bank and in hand	17	526,108	590,952
		950,125	1,047,979
Creditors: Amounts falling due within one year	18	(244,065)	(239,929)
Net current assets		706,060	808,050
Total assets less current liabilities		2,858,801	2,864,909
Creditors: Amounts falling due after more than one year	19	-	(3,629)
Net assets		2,858,801	2,861,280
Funds of the group:			
Unrestricted income funds			
Unrestricted funds		2,858,801	2,861,280
Total funds	22	2,858,801	2,861,280

The financial statements on pages 13 to 38 were approved by the trustees, and authorised for issue on 3 June 2025 and signed on their behalf by:

.....
J R S Ward
Chairman and trustee

Processors and Growers Research Organisation

(Registration number: 00567232)
Balance Sheet as at 31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	13	19,200	-
Tangible assets	14	621,175	557,881
Investments	15	1,512,367	1,498,979
		2,152,742	2,056,860
Current assets			
Debtors	16	745,169	997,866
Cash at bank and in hand	17	320,610	199,968
		1,065,779	1,197,834
Creditors: Amounts falling due within one year	18	(359,720)	(389,785)
Net current assets		706,059	808,049
Total assets less current liabilities		2,858,801	2,864,909
Creditors: Amounts falling due after more than one year	19	-	(3,629)
Net assets		2,858,801	2,861,280
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		2,858,801	2,861,280
Total funds	22	2,858,801	2,861,280

The financial statements on pages 13 to 38 were approved by the trustees, and authorised for issue on 3 June 2025 and signed on their behalf by:

.....
J R S Ward
Chairman and trustee

Processors and Growers Research Organisation

Consolidated Statement of Cash Flows for the Year Ended 31 December 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash (expenditure)/income		(2,479)	125,068
Adjustments to cash flows from non-cash items			
Depreciation	9	98,158	57,956
Investment income	4	(69,106)	(46,839)
Revaluation of investments	15	(13,388)	(16,153)
(Profit) / loss on disposal of fixed assets held for the group's own use	9	(200)	(42,833)
		12,985	77,199
Working capital adjustments			
Decrease in debtors	16	33,010	93,262
Increase/(decrease) in creditors	18	7,755	(95,678)
Net cash flows from operating activities		53,750	74,783
Cash flows from investing activities			
Interest receivable and similar income	4	69,106	46,839
Purchase of intangible fixed assets	13	(19,200)	-
Purchase of tangible fixed assets	14	(161,452)	(240,742)
Sale of investments		-	12,590
Proceeds from sale of tangible fixed assets		200	42,833
Net cash flows from investing activities		(111,346)	(138,480)
Cash flows from financing activities			
Repayment of capital element of finance leases and HP contracts		(7,248)	(3,619)
Net decrease in cash and cash equivalents		(64,844)	(67,316)
Cash and cash equivalents at 1 January		590,952	658,268
Cash and cash equivalents at 31 December		526,108	590,952

All of the cash flows are derived from continuing operations during the above two periods.

Processors and Growers Research Organisation

Statement of Cash Flows for the Year Ended 31 December 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash (expenditure)/income		(2,479)	125,068
Adjustments to cash flows from non-cash items			
Depreciation	14	98,158	57,956
Investment income		(242,451)	(157,268)
Revaluation of investments	15	(13,388)	(16,153)
(Profit) / Loss on disposal of fixed assets held for the charity's own use	9	(200)	(42,833)
		(160,360)	(33,230)
Working capital adjustments			
Decrease/(increase) in debtors	16	252,697	(121,948)
(Decrease)/increase in creditors	18	(26,446)	35,171
Net cash flows from operating activities		65,891	(120,007)
Cash flows from investing activities			
Interest receivable and similar income		242,451	157,268
Purchase of intangible fixed assets	13	(19,200)	-
Purchase of tangible fixed assets	14	(161,452)	(240,742)
Sale of investments		-	12,590
Proceeds from sale of tangible fixed assets		200	42,833
Net cash flows from investing activities		61,999	(28,051)
Cash flows from financing activities			
Repayment of capital element of finance leases and HP contracts		(7,248)	(3,619)
Net increase/(decrease) in cash and cash equivalents		120,642	(151,677)
Cash and cash equivalents at 1 January		199,968	351,645
Cash and cash equivalents at 31 December		320,610	199,968

All of the cash flows are derived from continuing operations during the above two periods.

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £2 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Great North Road
Thornhaugh
Peterborough
PE8 6HJ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation
Processors and Growers Research Organisation 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 notes.

The financial statements are presented in pound sterling which is the functional currency of the Group and are rounded to the nearest pound.

Basis of consolidation
The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 December 2024.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a loss for the financial year of £2,479 (2023 - surplus of £125,068).

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Going concern
The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

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

Membership fees are recognized when the Group has entitlement to the income.

Rent and meeting income is recognised when receivable.

Levy income is recognised when receivable, with the level of charges reviewed annually by reference to work done.

Research and technical income, technical services and publications income is recognised by reference to work done.

Grants receivable

Revenue grants are credited as income when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred.

Specifically with regards to EU True Project and EU Leg Value grant income, such income is recognised in line with related expenditure as per the terms of the grants.

Gift aid

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of donation.

Other trading activities

The subsidiary trading company PGRO Research Ltd has agreed in advance by way of its constitution to mandate annually all profits made up to its parent Charity PGRO by way of charity gift aid donation. Such donation must be made within 9 months of the Balance Sheet date. Due to the commitment plus custom & practice established in this arrangement, the annual profit for the accounting period of the subsidiary is also included as gift aided income in the parent charity accounts in the same year that it arises in the subsidiary.

Investment income

Investment income is recognised when received and comprises interest on fixed interest securities and bank deposits.

Other income

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Expenditure
All expenditure is accounted for on an accruals basis. 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 cost 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Support costs have been allocated to each activity on the following basis, based on an estimate of staff time spent on each activity;

	2024	2023
Research and development	73.00%	73.00%
Knowledge Transfer	27.00%	27.00%

Raising funds

Costs of raising funds comprise the costs of trading of the wholly owned subsidiary, PGRO Research Limited.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs
Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs
These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

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.

Intangible assets
Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

Tangible fixed assets
Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Depreciation and amortisation
Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold property	1% on cost
Plant and machinery	15% on cost
Site development	10% on cost
Office equipment	15% on cost
Computer equipment	30% on cost

Research and development
Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future income from the related project.

Fixed asset 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 'Net gains/(losses) on investments' in the Statement of Financial Activities.

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

Trade 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.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised at the transaction price.

Fund structure
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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 cost 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.

Pensions and other post retirement obligations
The group operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Critical accounting estimates and areas of judgement

Estimates 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.

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 as follows:

- Expected life of tangible fixed assets
- Support cost allocation

The Trustees consider that the expected useful lives of tangible fixed assets and support cost allocations are appropriate.

3 Income from charitable activities

Analysis of income from charitable activities - by type

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Membership & levy fees	636,093	-	636,093	853,832
Grants receivable	-	114,275	114,275	95,868
Technical services & publications	12,233	-	12,233	10,621
Research & technical income	22,346	-	22,346	3,958
	670,672	114,275	784,947	964,279

Analysis of income from charitable activities - by fund

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Research and Development	489,591	83,421	573,012	703,923
Knowledge Transfer	181,081	30,854	211,935	260,356
	670,672	114,275	784,947	964,279

4 Investment income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Interest receivable and similar income;			
Interest receivable on bank deposits	2,031	2,031	714
Other income from fixed asset investments	67,075	67,075	46,125
	69,106	69,106	46,839

5 Income from other trading activities

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Trading subsidiary income	520,976	520,976	408,937

6 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total 2024 £	Total 2023 £
Trading subsidiary staff costs		251,155	251,155	195,203
Other trading subsidiary costs		96,476	96,476	103,305
		347,631	347,631	298,508

7 Expenditure on charitable activities

Analysis of expenditure on charitable activities - by fund

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Research and development	613,966	147,617	761,583	739,222
Knowledge transfer	227,083	54,598	281,681	273,410
	841,049	202,215	1,043,264	1,012,632

Analysis of expenditure on charitable activities - by type

	Activity undertaken directly £	Activity support costs £	2024 £	2023 £
Research and development	598,173	163,410	761,583	739,222
Knowledge transfer	221,242	60,439	281,681	273,410
	819,415	223,849	1,043,264	1,012,632

Analysis of direct costs

	Research and development 2024 £	Knowledge transfer 2024 £	Total 2024 £	Total 2023 £
Staff costs	327,552	121,150	448,702	433,682
Depreciation & loss on sale of fixed assets	71,509	26,449	97,958	15,121
Project costs	140,505	51,968	192,473	235,226
Other staff costs	9,430	3,488	12,918	17,218
Repairs and maintenance	8,154	3,016	11,170	6,414
Stationery, advertising, postage and equipment hire	4,503	1,665	6,168	4,943
Travel and subsistence	36,519	13,507	50,026	43,278
Total	598,173	221,242	819,415	755,882

Analysis of support costs

	Research and development 2024 £	Knowledge transfer 2024 £	Total 2024 £	Total 2023 £
Staff costs	67,279	24,884	92,163	89,078
Other staff costs	14,604	5,402	20,006	23,733
Repairs & maintenance	-	-	-	1,814
Office running costs	56,370	19,850	73,520	78,939
Professional fees	21,135	7,817	28,952	55,384
Governance costs	6,722	2,486	9,208	7,600
Total	163,410	60,439	223,849	256,750

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Audit fees			
Audit of the financial statements	5,250	5,250	5,000
Other fees paid to auditors	3,958	3,958	2,600
	9,208	9,208	7,600

9 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2024 £	2023 £
Audit fees	5,250	5,000
Profit on disposal of fixed assets held for the group's own use	(200)	(42,833)
Depreciation of fixed assets	98,158	57,954

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	668,135	607,024
Social security costs	68,222	64,887
Pension costs	55,663	46,052
	792,020	717,963

The monthly average number of persons (including senior management / leadership team) employed by the group during the year expressed as full time equivalents was as follows:

	2024 No	2023 No
Management and administration	4	3
Direct charitable	14	14
	18	17

The number of employees whose emoluments fell within the following bands was:

	2024 No	2023 No
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-

The key management personnel of the Group comprise the Trustees and senior management team as listed on page 1. The total employee benefits of the key management personnel of the group were £290,128 (2023 - £290,768).

12 Auditors' remuneration

	2024 £	2023 £
Audit of the financial statements	5,250	5,000
Other fees to auditors		
All other assurance services	1,228	-
All other non-audit services	2,730	2,600
	3,958	2,600

13 Intangible fixed assets

Group

	Computer software £	Total £
Cost		
Additions	19,200	19,200
At 31 December 2024	19,200	19,200
Amortisation		
At 31 December 2024	-	-
Net book value		
At 31 December 2024	19,200	19,200

Charity

	Computer software £	Total £
Cost		
Additions	19,200	19,200
At 31 December 2024	19,200	19,200
Amortisation		
At 31 December 2024	-	-
Net book value		
At 31 December 2024	19,200	19,200

14 Tangible fixed assets

Group

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Site development £	Total £
Cost					
At 1 January 2024	287,333	733,684	13,490	405,025	1,439,532
Additions	4,965	156,487	-	-	161,452
At 31 December 2024	292,298	890,171	13,490	405,025	1,600,984
Depreciation					
At 1 January 2024	124,046	498,768	13,490	245,347	881,651
Charge for the year	2,871	72,230	-	23,057	98,158
At 31 December 2024	126,917	570,998	13,490	268,404	979,809
Net book value					
At 31 December 2024	165,381	319,173	-	136,621	621,175
At 31 December 2023	163,287	234,916	-	159,678	557,881

Included within the net book value of land and buildings above is £Nil (2023 - £Nil) in respect of freehold land and buildings and £165,381 (2023 - £163,287) in respect of leaseholds.

Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Site development £	Total £
Cost					
At 1 January 2024	287,333	733,684	13,490	405,025	1,439,532
Additions	4,965	156,487	-	-	161,452
At 31 December 2024	292,298	890,171	13,490	405,025	1,600,984
Depreciation					
At 1 January 2024	124,046	498,768	13,490	245,347	881,651
Charge for the year	2,871	72,230	-	23,057	98,158
At 31 December 2024	126,917	570,998	13,490	268,404	979,809
Net book value					
At 31 December 2024	165,381	319,173	-	136,621	621,175
At 31 December 2023	163,287	234,916	-	159,678	557,881

Included within the net book value of land and buildings above is £Nil (2023 - £Nil) in respect of freehold land and buildings and £165,381 (2023 - £163,287) in respect of leaseholds.

15 Fixed asset investments

Group

	2024 £	2023 £
Other investments	1,512,366	1,498,978

Other investments

	Listed investments £	Unlisted investments £	Total £
Cost or Valuation			
At 1 January 2024	1,498,977	1	1,498,978
Revaluation	13,388	-	13,388
At 31 December 2024	1,512,365	1	1,512,366
Net book value			
At 31 December 2024	1,512,365	1	1,512,366
At 31 December 2023	1,498,977	1	1,498,978

All the Group fixed asset investments are held in the UK.

The UK common investment funds are indirectly held by fund managers M&G Investments and Telford Mann Investments and are all included within unrestricted funds. Investments are re-stated at their fair value each year end.

Charity

	2024 £	2023 £
Other investments	1,512,366	1,498,978

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 January 2024	1	1
At 31 December 2024	1	1
Net book value		
At 31 December 2024	1	1
At 31 December 2023	1	1

Other investments

	Listed investments £	Unlisted investments £	Total £
Cost or Valuation			
At 1 January 2024	1,498,977	1	1,498,978
Revaluation	13,388	-	13,388
At 31 December 2024	1,512,365	1	1,512,366
Net book value			
At 31 December 2024	1,512,365	1	1,512,366
At 31 December 2023	1,498,977	1	1,498,978

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held 2024	Proportion of voting rights and shares held 2023	Principal activity
Subsidiary undertakings					
PGRO Research Limited Great North Road, Thornhaugh, Peterborough, Cambridgeshire, PE8 6HJ	England & Wales	Ordinary	100%	100%	Trading activities on behalf of the charitable parent company

Subsidiaries

The profit for the financial period of PGRO Research Limited was £173,345 (2023 - £110,429) and the aggregate amount of capital and reserves at the end of the period was £1 (2023 - £1).

16 Debtors

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Trade debtors	379,529	359,693	265,966	313,593
Due from group undertakings	-	-	457,186	586,939
Prepayments	26,080	59,692	11,210	59,692
Accrued income	18,408	37,642	10,807	37,642
	424,017	457,027	745,169	997,866

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

17 Cash and cash equivalents

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Cash on hand	21	21	21	21
Cash at bank	317,634	524,435	112,136	133,451
Short-term deposits	208,453	66,496	208,453	66,496
	526,108	590,952	320,610	199,968

18 Creditors: amounts falling due within one year

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	82,901	66,523	82,901	66,523
Hire purchase and finance leases	-	3,619	-	3,619
Due to group undertakings	-	-	132,341	140,562
Other taxation and social security	18,147	17,425	18,147	17,425
VAT grant repayable	92,176	72,406	84,810	84,950
Other creditors	6,477	1,912	407	1,912
Accruals	44,364	78,044	41,114	74,794
	244,065	239,929	359,720	389,785

19 Creditors: amounts falling due after one year

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Hire purchase and finance leases	-	3,629	-	3,629

20 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £55,663 (2023 - £46,052).

Contributions totalling £Nil (2023 - £Nil) were payable to the scheme at the end of the year and are included in creditors.

21 Commitments

Group

Other financial commitments

The total amount of other financial commitments not provided in the financial statements was £34,245 (2023 - £66,242).

Charity

Other financial commitments

The total amount of other financial commitments not provided in the financial statements was £34,245 (2023 - £66,242).

22 Funds

Group

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2024 £
Unrestricted funds						
General						
General funds	2,122,242	739,778	(742,892)	(95,247)	-	2,023,881
Trading subsidiary	-	520,976	(347,631)	(173,345)	-	-
Revaluation reserve	181,157	-	-	-	13,388	194,545
	2,303,399	1,260,754	(1,090,523)	(268,592)	13,388	2,218,426
Designated						
Fixed asset fund	557,881	-	(98,158)	180,652	-	640,375
Total unrestricted funds	2,861,280	1,260,754	(1,188,681)	(87,940)	13,388	2,858,801
Restricted funds						
Restricted funds	-	114,275	(202,215)	87,940	-	-
Total funds	2,861,280	1,375,029	(1,390,896)	-	13,388	2,858,801

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2023 £
Unrestricted funds						
General						
General funds	2,153,609	915,250	(655,139)	(291,478)	-	2,122,242
Trading subsidiary	-	408,937	(298,508)	(110,429)	-	-
Revaluation reserve	165,004	-	-	-	16,153	181,157
	2,318,613	1,324,187	(953,647)	(401,907)	16,153	2,303,399
Designated						
Fixed asset fund	417,599	-	(100,459)	240,741	-	557,881
Total unrestricted funds	2,736,212	1,324,187	(1,054,106)	(161,166)	16,153	2,861,280
Restricted funds						
Restricted funds	-	95,868	(257,034)	161,166	-	-
Total funds	2,736,212	1,420,055	(1,311,140)	-	16,153	2,861,280

Charity

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2024 £
Unrestricted funds						
General						
General funds	2,122,242	739,778	(569,547)	(268,592)	-	2,023,881
Trading subsidiary	-	173,345	(173,345)	-	-	-
Revaluation reserve	181,157	-	-	-	13,388	194,545
	2,303,399	913,123	(742,892)	(268,592)	13,388	2,218,426
Designated						
Fixed asset fund	557,881	-	(98,158)	180,652	-	640,375
Total unrestricted funds	2,861,280	913,123	(841,050)	(87,940)	13,388	2,858,801
Restricted funds						
Restricted funds	-	114,275	(202,215)	87,940	-	-
Total funds	2,861,280	1,027,398	(1,043,265)	-	13,388	2,858,801

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2023 £
Unrestricted funds						
General						
General funds	2,153,609	915,250	(544,710)	(401,907)	-	2,122,242
Trading subsidiary	-	110,429	(110,429)	-	-	-
Revaluation reserve	165,004	-	-	-	16,153	181,157
	2,318,613	1,025,679	(655,139)	(401,907)	16,153	2,303,399
Designated						
Fixed asset fund	417,599	-	(100,459)	240,741	-	557,881
Total unrestricted funds	2,736,212	1,025,679	(755,598)	(161,166)	16,153	2,861,280
Restricted funds						
Restricted funds	-	95,868	(257,034)	161,166	-	-
Total funds	2,736,212	1,121,547	(1,012,632)	-	16,153	2,861,280

The specific purposes for which the funds are to be applied are as follows:

Purposes of designated funds

Fixed assets fund - This represents the value of general funds invested in land and buildings and other similar fixed assets and is therefore not readily available for other purposes.

Purposes of general funds

General funds - The 'free reserves' after all other designations and restrictions. The transfer to the fixed asset fund of £180,652 (2023: £240,741) represents the net fixed asset additions and disposals in the year.

Trading subsidiary - Reserves in relation to the performance of the trading subsidiary PGRO Research Limited. The transfer of £173,345 (2023: £110,429) to the general fund from this fund represents the gift aid of the profits from the trading subsidiary to the Charity.

Revaluation reserve - Being the difference between the historic cost value and the year end fair value of listed securities investments are per note 15.

Purposes of restricted funds

Restricted funds - These relate solely to grant income and related expenditure to match grant funded projects as required under the terms of the grant offer letters, and is therefore not readily available for other purposes.

Transfers from unrestricted funds to restricted funds represent unrestricted funds utilised on restricted projects.

23 Analysis of net assets between funds

Group

	Unrestricted funds		Total funds at 31 December 2024
	General £	Designated £	£
Intangible fixed assets	-	19,200	19,200
Tangible fixed assets	-	621,175	621,175
Fixed asset investments	1,512,366	-	1,512,366
Current assets	950,125	-	950,125
Current liabilities	(244,065)	-	(244,065)
Total net assets	2,218,426	640,375	2,858,801

	Unrestricted funds		Total funds at 31 December 2023
	General £	Designated £	£
Tangible fixed assets	-	557,881	557,881
Fixed asset investments	1,498,978	-	1,498,978
Current assets	1,047,979	-	1,047,979
Current liabilities	(239,929)	-	(239,929)
Creditors over 1 year	(3,629)	-	(3,629)
Total net assets	2,303,399	557,881	2,861,280

Charity

	Unrestricted funds		Total funds at 31 December 2024
	General	Designated	
	£	£	£
Intangible fixed assets	-	19,200	19,200
Tangible fixed assets	-	621,175	621,175
Fixed asset investments	1,512,367	-	1,512,367
Current assets	1,065,779	-	1,065,779
Current liabilities	(359,720)	-	(359,720)
Total net assets	2,218,426	640,375	2,858,801

	Unrestricted funds		Total funds at 31 December 2023
	General	Designated	
	£	£	£
Tangible fixed assets	-	557,881	557,881
Fixed asset investments	1,498,979	-	1,498,979
Current assets	1,197,834	-	1,197,834
Current liabilities	(389,785)	-	(389,785)
Creditors over 1 year	(3,629)	-	(3,629)
Total net assets	2,303,399	557,881	2,861,280

24 Analysis of net funds

Group

	At 1 January 2024	Financing cash flows	At 31 December 2024
	£	£	£
Cash at bank and in hand	590,952	(64,844)	526,108
Finance leases and hire purchase contracts	(7,248)	7,248	-
Net debt	583,704	(57,596)	526,108

	At 1 January 2023	Financing cash flows	At 31 December 2023
	£	£	£
Cash at bank and in hand	658,268	(67,316)	590,952
Finance leases and hire purchase contracts	(10,867)	3,619	(7,248)
Net debt	647,401	(63,697)	583,704

Charity

	At 1 January 2024 £	Financing cash flows £	At 31 December 2024 £
Cash at bank and in hand	199,968	120,642	320,610
Finance leases and hire purchase contracts	(7,248)	7,248	-
Net debt	192,720	127,890	320,610

	At 1 January 2023 £	Financing cash flows £	At 31 December 2023 £
Cash at bank and in hand	351,645	(151,677)	199,968
Finance leases and hire purchase contracts	(10,867)	3,619	(7,248)
Net debt	340,778	(148,058)	192,720

25 Related party transactions

Group

The Charity has taken advantage of the exemption contained in FRS 102 section 33.1 Related Party Disclosures and has therefore not disclosed transactions or balances with wholly owned entities which form part of the group.

Charity

During the year the charity made the following related party transactions:

Fen Peas Limited

(A company under common control of Stephen Francis)
During the year, PGRO invoiced Fen Peas Limited £13,928 (2023: £nil). At the balance sheet date the amount due to/from Fen Peas Limited was £Nil (2023 - £Nil).

British Growers Association

(An organisation under common control of Jack Ward)
During the year, British Growers Association invoiced PGRO £nil (2023: £39,186) and paid £200 (2023: £nil) in respect of costs incurred by the Charity.

British Growers Association also offer the opportunity for their customers to become members and as a result, PGRO acquired a £1 share on 1st November 2022. The cost of this acquisition is presented within fixed asset investments. At the balance sheet date the amount due to/from to British Growers Association was £Nil (2023 - £3,856).

26 Controlling party

The Trustees do not consider that there is any single controlling party.

PROCESSORS AND GROWERS RESEARCH ORGANISATION

England & Wales - Charity number 284077

Accounts

Company registration number: 00567232
Charity registration number: 284077

Processors and Growers Research Organisation

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2023

Forrester Boyd
Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

Processors and Growers Research Organisation

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Processors and Growers Research Organisation

Reference and Administrative Details

Chief Executive Officer and Company Secretary	R G Vickers
Trustees	C S Stowe, Chairman J R S Ward, Vice Chairman S W Bumstead A Bury S J Francis J M Hopwood J A Maguire S J Portas G J Renner D J Sedgeley M Shuldham Professor D L Sparkes T J Yewbrey
Senior Management / Leadership Team	R Vickers S Belcher B Howard C Judge A Scott
Charity Registration Number	284077
Company Registration Number	00567232
	The charity is incorporated in England and Wales.

Processors and Growers Research Organisation

Reference and Administrative Details

Registered Office	Great North Road Thornhaugh Peterborough PE8 6HJ
Auditor	Forrester Boyd Waynflete House 139 Eastgate Louth Lincolnshire LN11 9QQ
Solicitors	Greenwoods Solicitors Monkstone House City Road Peterborough Cambridgeshire PE1 1JE
Bankers	Clydesdale Bank Plc 10 Church Street Pterborough Lincolnshire PE8 6HJ
	Lloyds Bank Plc Stamford 65 High Street Stamford Lincolnshire PE9 2AT

Strategic Report for the Year Ended 31 December 2023

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 December 2023, in compliance with s414C of the Companies Act 2006.

Financial review

The Trustees are pleased to announce PGRO's reserves increased by £125,068 (2022 - increase of £147,043).

Investment in capital equipment was undertaken as planned. The main areas were:
• Machinery and equipment £155k
• Improvements to facilities £82k

The Trustees are confident the direction and financial management of the charity remains robust, and continually review expenditure levels to ensure value for money is achieved.

Incoming resources for the charity and its subsidiary for the year totalled £1,420k (2022 - £1,396k) of which £96k (2022 - £80k) related to restricted funds.

Principal sources of income were derived from levy on legume crops traded ex-farm and research grants. The Trustees recognise the importance of diverse income streams for the financial health of the Charity and additional income came from:
• Contract trials
• Membership fees
• Conference facilities
• Technical services

All expenditure during the year was incurred in furtherance of the Charity's objectives. There are currently no significant future factors which the Trustees consider will affect financial performance.

By considering expected future income versus future financial obligations, the Trustees have a reasonable expectation that PGRO has adequate resources to continue in operational existence for
the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual reports and accounts.

Policy on reserves

The reserves policy considers:
• The nature of current activities and related income and expenditure streams
• The requirement to match variable income with any fixed expenditure commitments
• Any requirement to fulfil longer term liabilities
• Future plans including investment in fixed asset additions or replacements
• The overall business climate and the risks faced by the Charity

The Trustees regularly consider the risk to the Charity of any significant loss of income and also the risk of any unforeseen expenditure, thereby acknowledging the relationship between the risk management and reserves policies. The full effect of government policy in agricultural subsidy reform, the UK exit from the European Union, and instability of world politics on UK agriculture and related research still remains uncertain. Therefore, the Trustees deem it prudent to hold sufficient reserves to mitigate any potential negative impact on future income in order for the Charity to be able to achieve its objectives.

At 31st December 2023, unrestricted funds were £2.86m. The Trustees aim to maintain free reserves in unrestricted funds at a level equating to 35 months of unrestricted charitable expenditure in so far as these funds are not committed to or invested in tangible fixed assets. The Trustees consider this level will provide sufficient funds to
• Apply for external research grants (where match funding is a frequent requirement)
• Participate in external research where in-kind contributions are required
• Consider further sponsorship of PhDs with universities
• Further develop laboratory and molecular diagnostics facilities
• Ensure the Charity's activities are maintained by undertaking industry approved research and development where external funding cannot be obtained
• Ensure seasonal variations of cash inflows due to inherent uncertainty in levy receipts are mitigated
• Replace and extend capital assets as necessary
• Fulfil long term liabilities
• Allow for medium to long term planning

At 31st December 2023 the Group had total reserves of £2.86m (£0.6m in tangible fixed assets and £2.3m in investments and net working capital)

Investment policy and objectives

The investment policy considers:
• The current economic climate
• Future plans
• Contingencies for the variability of levy receipts
• Availability of grant funding
• Stock market implications

The Charity currently holds several long-term investments, the income from which directly contributes to the Charity's objectives. The Charity only invests in medium-risk products with due regard to social, environmental and ethical issues. The Trustees meet at least annually with representatives of the Fund Managers to review investment risk, income generation and capital growth.

Plans for future periods

Aims and key objectives for future periods

PGRO will continue to be principally engaged in high quality applied agricultural research. The Trustees recognise an important aspect of the Charity's work is to contribute to the competitiveness and sustainability of UK legume crop production.

The Charity will continue to respond to appropriate grant funding calls, but the Trustees remain concerned that publicly available funding has reduced in recent years, whilst the grant application process is more competitive. The Trustees are confident the Charity will continue to identify and apply for all appropriate grants by submitting innovative ideas which emphasise the importance of efficient crop production through the most appropriate technology.

Collaborations with relevant industry and academic partners remain an important aspect of the Charity's work in order to achieve added value from joint working and sharing access to a wider base of skills and experience. The Charity will, insofar as funds permit, continue to expand its co-sponsorship of relevant PhDs complimentary to the Charity's R&D strategy.

Having been reviewed in 2023, the current strategic plan remains in force until the end of 2025. The aim being to ensure it is fit for purpose in the light of identified emerging risks to the Charity and to ensure PGRO remains a solvent and respected and vibrant organisation.

The Charity will continue to engage in knowledge transfer events and produce publications and articles relevant to the agricultural sector and wider audiences as appropriate.

The strategic report was approved by the trustees of the charity on 4 June 2024 and signed on its behalf by:

.....
C S Stowe
Chairman and trustee

Processors and Growers Research Organisation

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2023.

Objectives and activities

Objects and aims

Background

Established in 1944, Processors and Growers Research Organisation (PGRO) conducts innovative research and provides technical services on dry harvested peas, vining (freezing) peas and peas produced for canning operations and on other legumes and selected vegetables as appropriate. With over 70 years of research experience into legumes and other selected vegetable crops the Charity's work is recognised nationally and internationally as a source of reliable and independent technical advice.

Vision and Strategy

PGRO aims to be at the forefront of legume crop innovation and employs staff with specialist skills and knowledge to conduct field and glasshouse trials to improve legume production and evaluate variety and agrochemical quality and performance.

PGRO's scientific activities focus on the importance of soil health, the development of higher yielding crops which are resilient to climate change and environmentally friendly pest and disease control. The benefits of new knowledge are communicated to farmers and growers and to the food industry reliant on productive agriculture.

Mission

PGRO's mission is to:
• Pursue the provision of current advice for growers, the realisation of improved crop yield, quality and economics.
• Facilitate open, accessible, reliable and relevant knowledge exchange.
• Develop progressive and innovative approaches to crop research and development.
• Create and maintain extensive and close links with growers, processors, trade and fundamental research communities.

In fulfilling its mission, PGRO works closely with organisations which are part of the production and/or usage chain including growers, plant breeders, crop protection organisations, processing companies, pulse cleaning organisations and trading specialists. These links are important since it ensures PGRO continues to effectively support UK legume production for both home and export markets.

Trustees' Report

Objectives, strategies and activities

During 2023 PGRO continued to deliver services in accordance with its research objectives and effectively delivered research projects including:

• Improving productivity in pea, bean and legume growing through advanced data analytics, machine learning and AI techniques (IUK funded)
• Integrated pest management in faba beans (Ekhaga funded)
• Pea and bean downy mildew pathosystem: deploying disease resistance, pathogenomics and microbial biocontrol - BBSRC-LINK
• Pulse Crop Genetic Improvement Network – combining peas, field beans and lupins – funded by DEFRA and led by the John Innes Centre
• PeaGen - Genetic improvement of pea to replace soyabean in the diets of poultry and monogastric livestock – peas – BBSRC Link
• Nitrogen Climate Smart project – evaluating the potential for increased pulse cropping to influence UK agriculture greenhouse gas emissions and speed the realisation of Net Zero (IUK funded)
• BELIS - Breeding European Legumes for Increased Sustainability (EU funded)
• Pea Protein - addresses the need to replace imported soya protein with English grown protein crops that can meet the market demand for quality and sustainability (IUK funded).
• Development of an online platform for industry access to a prediction model for harvest date and yield in vining pea (IUK funded).

The Charity, insofar as funds permitted conducted in-house research:
• Screening the efficacy of products designed to stimulate natural plant processes
• Cover cropping to improve and/or protect soil health
• Inter cropping
• Plant populations to maximise yield
• Understanding of the dynamics of bean foot rot pathogens in the UK
• Molecular tests for pests and diseases
• Downy mildew control using foliar sprays in vining peas
• Bean seed fly (Delia platura) management
• Crop nutrition improvements
• Screening of biostimulant products and bioactive substances
• Integrated crop management techniques
• Pesticide screening for a range of pests, diseases and weeds in peas and beans
• Impact of legumes in multi-year leys/ fallows on crop rotations containing peas and beans

The charitable objective of education is fulfilled by co-sponsoring a rolling programme of PhDs relevant and complimentary to PGRO's research and development strategy. During 2023 these comprised:
• Strategies to optimise pollination of the UK field bean crop (University of Cambridge).
• Understanding the link between N-cycling and bacterial cytoskeleton in the rhizobium-legume symbiosis (University of East Anglia)
• Understanding the diversity of organisms contributing to foot and root rot disease in faba bean in the United Kingdom (University of Newcastle upon Tyne)
• Realising the environmental benefits of faba beans (Vicia faba L.) via optimised nutrition and nitrogen fixation (Harper Adams University)
• Remote sensing and machine learning for the field-scale prediction of maturity and yield in vining pea (Pisum sativum L.) (University of Nottingham)
• The Biology and Integrated Management of Bean Seed Fly. (University of Warwick)

PGRO continued to provide advice and information to stakeholders and undertook knowledge transfer activities. The 2023 joint PGRO/Syngenta roadshows were continued with recordings being made available online to reach a wider audience. The events enable PGRO's experts to inform growers and advisers on developments in pulse crop markets, agronomy and research.

Other knowledge transfer activities included online grower group meetings, production of articles, publications, crop bulletins and fact sheets. During 2023 the series of master class videos were further developed to PGRO's website giving practical advice and information, which received very positive feedback. A podcast series was also begun, "Inside the Pod" is a continuing multi- episode series of informative interviews across the pulse industry, touching topics from research, through crops production to processing and consumption and is broadcast on the main popular podcast hosting platforms.

Experts from PGRO regularly liaise with pulse growing farmers via AHDB's Monitor and Strategic Farms (a nationwide networks of leading farms) and the wider merchant and agronomist network of the UK supply industry, which brings together farmers willing to share performance and best practise information.

PGRO continued to be actively involved with the Yield Enhancement Network linking agricultural organisations and farmers with the focus on closing the gap between current and potential yields in peas and beans.

Public benefit

Globally there are concerns around climate change, population growth and food security. Innovative crop science and technology addresses these pressures by increasing productivity and improving both environmental protection and resource conservation.

PGRO's main objective is to contribute to the advancement of the science of legume (and other crops as appropriate) by undertaking scientific research projects. Additional benefits derived from the Charity meeting its main objective include the advancement of knowledge and environmental improvement.

PGRO's independent and applied research into legume crops translates directly into farm practise, contributing to improvements in product quality and yields and environmentally friendly practises such as seed treatment, plant populations and crop husbandry.

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management

Nature of governing document

Processors and Growers Research Organisation was incorporated in England and Wales on 7th June 1956, and is a company limited by guarantee (registered number 00567232) and a registered charity (number 00284077). It is governed by its Memorandum and Articles of Association which were last amended 7th December 2017.

The Board of Trustees is responsible for the management of PGRO's affairs in accordance with its Memorandum and Articles of Association and meets regularly throughout the year to oversee the Charity's strategic direction and financial probity.

The Trustees have used the UK Charity Governance Code to measure the performance of the Board and its structure. The Code considers a maximum of twelve trustees to be good practice, and whilst PGRO currently has thirteen board members (the Memorandum and Articles of Association allow a maximum of fifteen), the Trustees consider a greater number allows for representation from all the stakeholder groups the Charity engages with. The Trustees are also aware three of the Board members have served for more than the nine years prescribed by the Code. Their reappointment is approved providing they are still professionally active, have indicated their willingness to continue and any negative affect the loss of industry experience would have on the Board if a suitable replacement could not be sourced.

Additionally, the Management and Finance sub-committee (comprising the Chair, Vice-Chair, Chief Executive, Finance Manager and at least two other Board members) meets to:

- Consider strategic issues and make recommendations for full Board approval,
- Review and set remuneration of Charity staff for full Board approval,
- Receive, examine and discuss financial reports,
- Assess business progress against objectives and consider critical business risks,
- Consider health and safety issues,
- Consider capital investment and any other major expenditure for full Board approval,
- Consider all governance issues.

The Chief Executive (appointed by the Trustees) manages the day-to- day operation of the charitable company. To ensure effective operations the Chief Executive and Senior Management Team have delegated authority for all operational matters.

Induction and training of trustees

PGRO recruits Trustees with the relevant skillset to support the Charity's activities. A regularly reviewed induction programme is in place for newly appointed Trustees. All Trustees are encouraged to be familiar with the practical work of the Charity and maintain an understanding of its activities by attending the Charity's premises, events and meetings and engaging with staff

Arrangements for setting key management personnel remuneration

No remuneration or benefit was paid or granted to any Trustee.

Financial instruments

Objectives and policies

The group's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the group's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The group does not use derivative financial instruments for speculative purposes.

Cash flow risk

The group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The group uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The group's principal financial assets are bank balances and cash, trade and other receivables, and investments.
The group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.
The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.
The group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the group uses a mixture of long-term and short-term debt finance.
Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Trustees' Report

Statement of trustees' responsibilities

The trustees (who are also the directors of Processors and Growers Research Organisation 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. 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 parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the parent charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the parent charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 4 June 2024 and signed on its behalf by:

.....
C S Stowe
Chairman and trustee

Independent Auditor's Report to the Members of Processors and Growers Research Organisation

Opinion

We have audited the financial statements of Processors and Growers Research Organisation (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 December 2023, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, , Balance Sheet, Consolidated Statement of Cash Flows, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 parent charity's affairs as at 31 December 2023 and of its 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 auditor 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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

Independent Auditor's Report to the Members of Processors and Growers Research Organisation

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

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

- adequate accounting records have not been kept by the parent charitable company, 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.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 11), 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management around actual and potential litigation claims
- Reviewing financial statement disclosures and testing supporting documentation to assess compliance with applicable laws and regulations
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, and reviewing accounting estimates for bias.

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 statement 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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Independent Auditor's Report to the Members of Processors and Growers Research Organisation

Use of our report

This report is made solely to the charitable parent company's trustees, 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's trustees 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 parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Adam Millson ACA (Senior Statutory Auditor)
For and on behalf of Forrester Boyd , Statutory Auditor

Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

4 June 2024

Processors and Growers Research Organisation

Consolidated Statement of Financial Activities for the Year Ended 31 December 2023 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Charitable activities	3	868,411	95,868	964,279
Investment income	4	46,839	-	46,839
Other trading activities	5	408,937	-	408,937
Total income		1,324,187	95,868	1,420,055
Expenditure on:				
Raising funds	6	(298,508)	-	(298,508)
Charitable activities	7	(755,598)	(257,034)	(1,012,632)
Total expenditure		(1,054,106)	(257,034)	(1,311,140)
Gains/losses on investment assets		16,153	-	16,153
Net income/(expenditure)		286,234	(161,166)	125,068
Transfers between funds		(161,166)	161,166	-
Net movement in funds		125,068	-	125,068
Reconciliation of funds				
Total funds brought forward		2,736,212	-	2,736,212
Total funds carried forward	21	2,861,280	-	2,861,280

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Charitable activities	3	887,326	79,046	966,372
Investment income	4	52,612	-	52,612
Other trading activities	5	376,881	-	376,881
Total income		1,316,819	79,046	1,395,865
Expenditure on:				
Raising funds	6	(229,136)	-	(229,136)
Charitable activities	7	(743,234)	(188,728)	(931,962)
Total expenditure		(972,370)	(188,728)	(1,161,098)
Gains/losses on investment assets		(87,724)	-	(87,724)
Net income/(expenditure)		256,725	(109,682)	147,043
Transfers between funds		(109,682)	109,682	-
Net movement in funds		147,043	-	147,043
Reconciliation of funds				
Total funds brought forward		2,589,169	-	2,589,169
Total funds carried forward	21	2,736,212	-	2,736,212

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 21.

Processors and Growers Research Organisation

(Registration number: 00567232)
Consolidated Balance Sheet as at 31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	557,881	375,094
Investments		1,498,978	1,495,415
		2,056,859	1,870,509
Current assets			
Debtors	15	457,027	550,289
Cash at bank and in hand	16	590,952	658,268
		1,047,979	1,208,557
Creditors: Amounts falling due within one year	17	(239,929)	(335,606)
Net current assets		808,050	872,951
Total assets less current liabilities		2,864,909	2,743,460
Creditors: Amounts falling due after more than one year	18	(3,629)	(7,248)
Net assets		2,861,280	2,736,212
Funds of the group:			
Unrestricted income funds			
Unrestricted funds		2,861,280	2,736,212
Total funds	21	2,861,280	2,736,212

The financial statements on pages 15 to 37 were approved by the trustees, and authorised for issue on 4 June 2024 and signed on their behalf by:

.....
C S Stowe
Chairman and trustee

Processors and Growers Research Organisation

(Registration number: 00567232)
Balance Sheet as at 31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	557,881	375,094
Investments		1,498,979	1,495,416
		2,056,860	1,870,510
Current assets			
Debtors	15	997,866	875,918
Cash at bank and in hand	16	199,968	351,645
		1,197,834	1,227,563
Creditors: Amounts falling due within one year	17	(389,785)	(354,613)
Net current assets		808,049	872,950
Total assets less current liabilities		2,864,909	2,743,460
Creditors: Amounts falling due after more than one year	18	(3,629)	(7,248)
Net assets		2,861,280	2,736,212
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		2,861,280	2,736,212
Total funds	21	2,861,280	2,736,212

The financial statements on pages 15 to 37 were approved by the trustees, and authorised for issue on 4 June 2024 and signed on their behalf by:

.....
C S Stowe
Chairman and trustee

Processors and Growers Research Organisation

Consolidated Statement of Cash Flows for the Year Ended 31 December 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash income		125,068	147,043
Adjustments to cash flows from non-cash items			
Depreciation	6	57,956	58,958
Investment income	4	(46,839)	(52,612)
Revaluation of investments		16,153	87,724
Profit on disposal of fixed assets held for the group's own use	9	(42,833)	-
		109,505	241,113
Working capital adjustments			
Decrease in debtors	15	93,262	384,381
Decrease in creditors	17	(85,151)	(290,362)
Net cash flows from operating activities		117,616	335,132
Cash flows from investing activities			
Interest receivable and similar income	4	46,839	52,612
Purchase of tangible fixed assets	13	(240,742)	(87,802)
Purchase of investments		-	(402,573)
Sale of investments		12,590	200,000
Net cash flows from investing activities		(181,313)	(237,763)
Cash flows from financing activities			
Repayment of capital element of finance leases and HP contracts		(3,619)	10,867
Net (decrease)/increase in cash and cash equivalents		(67,316)	108,236
Cash and cash equivalents at 1 January		658,268	550,032
Cash and cash equivalents at 31 December		590,952	658,268

All of the cash flows are derived from continuing operations during the above two periods.

Processors and Growers Research Organisation

Statement of Cash Flows for the Year Ended 31 December 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash income		125,068	147,043
Adjustments to cash flows from non-cash items			
Depreciation	6	57,956	58,958
Investment income	4	(157,268)	(200,357)
Revaluation of investments		16,153	87,724
Loss on disposal of fixed assets held for the charity's own use	9	(42,833)	-
		(924)	93,368
Working capital adjustments			
Increase in debtors	15	(121,948)	(167,129)
Increase in creditors	17	45,698	15,908
Net cash flows from operating activities		(77,174)	(57,853)
Cash flows from investing activities			
Interest receivable and similar income	4	157,268	200,357
Purchase of tangible fixed assets	13	(240,742)	(87,802)
Purchase of investments		-	(402,573)
Sale of investments		12,590	200,000
Net cash flows from investing activities		(70,884)	(90,018)
Cash flows from financing activities			
Repayment of capital element of finance leases and HP contracts		(3,619)	10,867
Net decrease in cash and cash equivalents		(151,677)	(137,004)
Cash and cash equivalents at 1 January		351,645	488,649
Cash and cash equivalents at 31 December		199,968	351,645

All of the cash flows are derived from continuing operations during the above two periods.

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £2 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Great North Road
Thornhaugh
Peterborough
PE8 6HJ

These financial statements were authorised for issue by the trustees on 4 June 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation
Processors and Growers Research Organisation 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 notes.

The financial statements are presented in pound sterling which is the functional currency of the Group and are rounded to the nearest pound.

Basis of consolidation
The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 December 2023.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a surplus for the financial year of £125,068 (2022 - loss of £147,043).

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Going concern
The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

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

Membership fees are recognized when the Group has entitlement to the income.

Rent and meeting income is recognised when receivable.

Levy income is recognised when receivable, with the level of charges reviewed annually by reference to work done.

Research and technical income, technical services and publications income is recognised by reference to work done.

Grants receivable

Revenue grants are credited as income when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred.

Specifically with regards to EU True Project and EU Leg Value grant income, such income is recognised in line with related expenditure as per the terms of the grants.

Gift aid

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of donation.

Other trading activities

The subsidiary trading company PGRO Research Ltd has agreed in advance by way of its constitution to mandate annually all profits made up to its parent Charity PGRO by way of charity gift aid donation. Such donation must be made within 9 months of the Balance Sheet date. Due to the commitment plus custom & practice established in this arrangement, the annual profit for the accounting period of the subsidiary is also included as gift aided income in the parent charity accounts in the same year that it arises in the subsidiary.

Investment income

Investment income is recognised when received and comprises interest on fixed interest securities and bank deposits.

Other income

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Expenditure
All expenditure is accounted for on an accruals basis. 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 cost 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Support costs have been allocated to each activity on the following basis, based on an estimate of staff time spent on each activity;

	2023	2022
Research and development	73.00%	70.27%
Knowledge Transfer	27.00%	29.73%

Raising funds

Costs of raising funds comprise the costs of trading of the wholly owned subsidiary, PGRO Research Limited.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

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.

Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold property	1% on cost
Plant and machinery	15% on cost
Site development	10% on cost
Office equipment	15% on cost
Computer equipment	30% on cost

Fixed asset 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 'Net gains/(losses) on investments' in the Statement of Financial Activities.

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

Trade 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.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised at the transaction price.

Fund structure
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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 cost 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.

Hire purchase and finance leases
Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions and other post retirement obligations
The group operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Critical accounting estimates and areas of judgement

Estimates 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.

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 as follows:

- Expected life of tangible fixed assets
- Support cost allocation

The Trustees consider that the expected useful lives of tangible fixed assets and support cost allocations are appropriate.

3 Income from charitable activities

Analysis of income from charitable activities - by type

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Membership & levy fees	853,832	-	853,832	856,642
Grants receivable	-	95,868	95,868	79,046
Technical services & publications	10,621	-	10,621	10,805
Research & technical income	3,958	-	3,958	19,879
	868,411	95,868	964,279	966,372

During 2022 income from charitable activities included £887,326 of unrestricted income and £79,046 of restricted funds.

Analysis of income from charitable activities - by fund

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Research and Development	633,939	69,984	703,923	701,296
Knowledge Transfer	234,472	25,884	260,356	265,076
	868,411	95,868	964,279	966,372

4 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	714	714	157
Other income from fixed asset investments	46,125	46,125	52,455
	46,839	46,839	52,612

During 2022 all investment income was unrestricted.

5 Income from other trading activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Income from trading subsidiary	408,937	408,937	376,881

6 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total 2023 £	Total 2022 £
Trading subsidiary staff costs		195,203	195,203	164,159
Other trading subsidiary costs		103,305	103,305	64,977
		298,508	298,508	229,136

7 Expenditure on charitable activities

Analysis of expenditure on charitable activities - by fund

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Research and development	551,587	187,635	739,222	728,145
Knowledge transfer	204,011	69,399	273,410	203,817
	755,598	257,034	1,012,632	931,962

Analysis of expenditure on charitable activities - by type

	Activity undertaken directly £	Activity support costs £	2023 £	2022 £
Research and development	551,794	187,428	739,222	728,145
Knowledge transfer	204,088	69,322	273,410	203,817
	755,882	256,750	1,012,632	931,962

Analysis of direct costs

	Research and Development 2023 £	Knowledge transfer 2023 £	Total 2023 £	Total 2022 £
Staff costs	316,588	117,094	433,682	421,642
Depreciation & loss on sale of fixed assets	11,038	4,083	15,121	56,734
Project costs	171,715	63,511	235,226	184,455
Other staff costs	12,569	4,649	17,218	10,158
Repairs and maintenance	4,682	1,732	6,414	-
Office running costs	-	-	-	2,786
Stationery, advertising, postage and equipment hire	3,608	1,335	4,943	12,009
Travel and subsistence	31,593	11,685	43,278	64,072
Total	551,793	204,089	755,882	720,467

Analysis of support costs

	Research and Development 2023 £	Knowledge transfer 2023 £	Total 2023 £	Total 2022 £
Staff costs	65,027	24,051	89,078	86,590
Depreciation	-	-	-	2,224
Travel & subsistence	-	-	-	451
Other staff costs	17,325	6,408	23,733	673
Repairs & maintenance	1,324	490	1,814	4,676
Stationery, advertising, postage & equipment hire	-	-	-	12,862
Office running costs	57,625	21,314	78,939	56,574
Professional fees	40,430	14,954	55,384	2,286
Governance costs	5,548	2,052	7,600	13,370
Total	187,428	69,323	256,750	180,106

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Audit fees			
Audit of the financial statements	5,000	5,000	7,955
Other fees paid to auditors	2,600	2,600	5,814
	7,600	7,600	13,769

9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2023 £	2022 £
Audit fees	5,000	7,955
Profit on disposal of fixed assets held for the group's own use	(42,833)	-
Depreciation of fixed assets	57,954	58,958

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	607,024	571,467
Social security costs	64,887	62,006
Pension costs	46,052	38,918
	717,963	672,391

The monthly average number of persons (including senior management / leadership team) employed by the group during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Management and administration	3	3
Direct charitable	14	14
	17	17

The number of employees whose emoluments fell within the following bands was:

	2023 No	2022 No
£80,001 - £90,000	1	1

The key management personnel of the Group comprise the Trustees and sneior management team as listed on page 1. The total employee benefits of the key management personnel of the group were £290,768 (2022 - £217,174).

12 Auditors' remuneration

	2023 £	2022 £
Audit of the financial statements	5,000	7,955
Other fees to auditors		
All other non-audit services	2,600	5,814

13 Tangible fixed assets

Group

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Site development £	Total £
Cost					
At 1 January 2023	284,472	610,160	32,490	322,604	1,249,726
Additions	2,861	155,460	-	82,421	240,742
Disposals	-	(31,936)	(19,000)	-	(50,936)
At 31 December 2023	287,333	733,684	13,490	405,025	1,439,532
Depreciation					
At 1 January 2023	121,185	497,030	32,490	223,926	874,631
Charge for the year	2,861	33,674	-	21,421	57,956
Eliminated on disposals	-	(31,936)	(19,000)	-	(50,936)
At 31 December 2023	124,046	498,768	13,490	245,347	881,651
Net book value					
At 31 December 2023	163,287	234,916	-	159,678	557,881
At 31 December 2022	163,287	113,130	-	98,678	375,095

Included within the net book value of land and buildings above is £Nil (2022 - £Nil) in respect of freehold land and buildings and £163,287 (2022 - £163,287) in respect of leaseholds.

Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Site development £	Total £
Cost					
At 1 January 2023	284,472	610,160	32,490	322,604	1,249,726
Additions	2,861	155,460	-	82,421	240,742
Disposals	-	(31,936)	(19,000)	-	(50,936)
At 31 December 2023	287,333	733,684	13,490	405,025	1,439,532
Depreciation					
At 1 January 2023	121,185	497,030	32,490	223,926	874,631
Charge for the year	2,861	33,674	-	21,421	57,956
Eliminated on disposals	-	(31,936)	(19,000)	-	(50,936)
At 31 December 2023	124,046	498,768	13,490	245,347	881,651
Net book value					
At 31 December 2023	163,287	234,916	-	159,678	557,881
At 31 December 2022	163,287	113,130	-	98,678	375,095

Included within the net book value of land and buildings above is £Nil (2022 - £Nil) in respect of freehold land and buildings and £163,287 (2022 - £163,287) in respect of leaseholds.

14 Fixed asset investments

Group

	2023 £	2022 £
Other investments	1,498,978	1,495,415

Other investments

	Listed investments £	Unlisted investments £	Total £
Cost or Valuation			
At 1 January 2023	1,495,414	1	1,495,415
Revaluation	16,153	-	16,153
Disposals	(12,590)	-	(12,590)
At 31 December 2023	1,498,977	1	1,498,978
Net book value			
At 31 December 2023	1,498,977	1	1,498,978
At 31 December 2022	1,495,414	1	1,495,415

All the Group fixed asset investments are held in the UK.

The UK common investment funds are indirectly held by fund managers M&G Investments and Telford Mann Investments and are all included within unrestricted funds. Investments are re-stated at their fair value each year end.

Charity

	2023 £	2022 £
Other investments	1,498,978	1,495,415

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 January 2023	1	1
At 31 December 2023	1	1
Net book value		
At 31 December 2023	1	1
At 31 December 2022	1	1

Other investments

	Listed investments £	Unlisted investments £	Total £
Cost or Valuation			
At 1 January 2023	1,495,414	1	1,495,415
Revaluation	16,153	-	16,153
Disposals	(12,590)	-	(12,590)
At 31 December 2023	1,498,977	1	1,498,978
Net book value			
At 31 December 2023	1,498,977	1	1,498,978
At 31 December 2022	1,495,414	1	1,495,415

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held 2023	2022	Principal activity
Subsidiary undertakings					
PGRO Research Limited Great North Road, Thornhaugh, Peterborough, Cambridgeshire, PE8 6HJ	England & Wales	Ordinary	100%	100%	Trading activities on behalf of the charitable parent company

Subsidiaries

The profit for the financial period of PGRO Research Limited was £110,429 (2022 - £147,745) and the aggregate amount of capital and reserves at the end of the period was £(1) (2022 - £(1)).

15 Debtors

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	359,693	443,197	313,593	393,729
Due from group undertakings	-	-	586,939	375,097
Prepayments	59,692	104,691	59,692	104,691
Accrued income	37,642	2,401	37,642	2,401
	457,027	550,289	997,866	875,918

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

16 Cash and cash equivalents

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Cash on hand	21	548	21	548
Cash at bank	524,435	331,999	133,451	25,376
Short-term deposits	66,496	325,721	66,496	325,721
	590,952	658,268	199,968	351,645

17 Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	66,523	171,471	66,523	171,471
Hire purchase and finance leases	3,619	3,619	3,619	3,619
Due to group undertakings	-	-	140,562	22,570
Other taxation and social security	17,425	13,984	17,425	13,984
VAT grant repayable	72,406	73,844	84,950	74,021
Other creditors	1,912	-	1,912	-
Accruals	78,044	72,688	74,794	68,948
	239,929	335,606	389,785	354,613

18 Creditors: amounts falling due after one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Hire purchase and finance leases	3,629	7,248	3,629	7,248

19 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £17,901 (2022 - £14,283).

Contributions totalling £Nil (2022 - £Nil) were payable to the scheme at the end of the year and are included in creditors.

20 Commitments

Group

Other financial commitments

The total amount of other financial commitments not provided in the financial statements was £2,705 (2022 - £19,077).

Charity

Other financial commitments

The total amount of other financial commitments not provided in the financial statements was £2,705 (2022 - £19,077).

21 Funds

Group

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2023 £
Unrestricted funds						
General						
General funds	2,153,609	915,250	(655,139)	(291,478)	-	2,122,242
Trading subsidiary	-	408,937	(298,508)	(110,429)	-	-
Revaluation reserve	165,004	-	-	-	16,153	181,157
	2,318,613	1,324,187	(953,647)	(401,907)	16,153	2,303,399
Designated						
Fixed asset fund	417,599	-	(100,459)	240,741	-	557,881
Total unrestricted funds	2,736,212	1,324,187	(1,054,106)	(161,166)	16,153	2,861,280
Restricted funds						
Restricted funds	-	95,868	(257,034)	161,166	-	-
Total funds	2,736,212	1,420,055	(1,311,140)	-	16,153	2,861,280

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2022 £
Unrestricted funds						
General						
General funds	1,939,092	939,938	(743,234)	17,813	-	2,153,609
Trading subsidiary	-	376,881	(229,136)	(147,745)	-	-
Revaluation reserve	252,728	-	-	-	(87,724)	165,004
	2,191,820	1,316,819	(972,370)	(129,932)	(87,724)	2,318,613
Designated						
Fixed asset fund	397,349	-	-	20,250	-	417,599
Total unrestricted funds	2,589,169	1,316,819	(972,370)	(109,682)	(87,724)	2,736,212
Restricted funds						
Restricted funds	-	79,046	(188,728)	109,682	-	-
Total funds	2,589,169	1,395,865	(1,161,098)	-	(87,724)	2,736,212

Charity

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2023 £
Unrestricted funds						
General						
General funds	2,153,609	915,250	(544,710)	(401,907)	-	2,122,242
Trading subsidiary	-	110,429	(110,429)	-	-	-
Revlauation reserve	165,004	-	-	-	16,153	181,157
	2,318,613	1,025,679	(655,139)	(401,907)	16,153	2,303,399
Designated						
Fixed asset fund	417,599	-	(100,459)	240,741	-	557,881
Total unrestricted funds	2,736,212	1,025,679	(755,598)	(161,166)	16,153	2,861,280
Restricted funds						
Restricted funds	-	95,868	(257,034)	161,166	-	-
Total funds	2,736,212	1,121,547	(1,012,632)	-	16,153	2,861,280

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2022 £
Unrestricted funds					
General					
General funds	1,939,092	939,938	(595,489)	(129,932)	2,153,609
Trading subsidiary	-	147,745	(147,745)	-	-
Revlauation reserve	252,728	-	-	(87,724)	165,004
	2,191,820	1,087,683	(743,234)	(217,656)	2,318,613
Designated					
Fixed asset fund	397,349	-	-	20,250	417,599
Total unrestricted funds	2,589,169	1,087,683	(743,234)	(197,406)	2,736,212
Restricted funds					
Restricted funds	-	79,046	(188,728)	109,682	-
Total funds	2,589,169	1,166,729	(931,962)	(87,724)	2,736,212

The specific purposes for which the funds are to be applied are as follows:

Purposes of designated funds

Fixed assets fund - This represents the value of general funds invested in land and buildings and other similar fixed assets and is therefore not readily available for other purposes.

Purposes of general funds

General funds - The 'free reserves' after all other designations and restrictions. The transfer to the fixed asset fund of £240,741 (2022: £20,250) represents the net fixed asset additions and disposals in the year.

Trading subsidiary - Reserves in relation to the performance of the trading subsidiary PGRO Research Limited. The transfer of £110,429 (2022: £147,745) to the general fund from this fund represents the gift aid of the profits from the trading subsidiary to the Charity.

Revaluation reserve - Being the difference between the historic cost value and the year end fair value of listed securities investments are per note 14.

Purposes of restricted funds

Restricted funds - These relate solely to grant income and related expenditure to match grant funded projects as required under the terms of the grant offer letters, and is therefore not readily available for other purposes.

Transfers from unrestricted funds to restricted funds represent unrestricted funds utilised on restricted project

22 Analysis of net assets between funds

Group

	Unrestricted funds		Total funds at 31 December 2023
	General £	Designated £	£
Tangible fixed assets	-	557,881	557,881
Fixed asset investments	1,498,978	-	1,498,978
Current assets	1,047,979	-	1,047,979
Current liabilities	(239,929)	-	(239,929)
Creditors over 1 year	(3,629)	-	(3,629)
Total net assets	2,303,399	557,881	2,861,280

	Unrestricted funds		Total funds at 31 December 2022
	General £	Designated £	£
Tangible fixed assets	-	375,094	375,094
Fixed asset investments	1,495,415	-	1,495,415
Current assets	1,166,052	42,505	1,208,557
Current liabilities	(335,606)	-	(335,606)
Creditors over 1 year	(7,248)	-	(7,248)
Total net assets	2,318,613	417,599	2,736,212

Charity

	Unrestricted funds		Total funds at 31 December 2023
	General	Designated	
	£	£	£
Tangible fixed assets	-	557,881	557,881
Fixed asset investments	1,498,979	-	1,498,979
Current assets	1,197,834	-	1,197,834
Current liabilities	(389,785)	-	(389,785)
Creditors over 1 year	(3,629)	-	(3,629)
Total net assets	2,303,399	557,881	2,861,280

	Unrestricted funds		Total funds at 31 December 2022
	General	Designated	
	£	£	£
Tangible fixed assets	-	375,094	375,094
Fixed asset investments	1,495,416	-	1,495,416
Current assets	1,185,058	42,505	1,227,563
Current liabilities	(354,613)	-	(354,613)
Creditors over 1 year	(7,248)	-	(7,248)
Total net assets	2,318,613	417,599	2,736,212

23 Analysis of net funds

Group

	At 1 January 2023	Financing cash flows	At 31 December 2023
	£	£	£
Cash at bank and in hand	658,268	(67,316)	590,952
Finance leases and hire purchase contracts	(10,867)	3,619	(7,248)
Net debt	647,401	(63,697)	583,704

	At 1 January 2022	Financing cash flows	New finance leases	At 31 December 2022
	£	£	£	£
Cash at bank and in hand	550,033	108,235	-	658,268
Finance leases and hire purchase contracts	-	-	(10,867)	(10,867)
Net debt	550,033	108,235	(10,867)	647,401

Charity

	At 1 January 2023	Financing cash flows	At 31 December 2023
	£	£	£
Cash at bank and in hand	351,645	(151,677)	199,968
Finance leases and hire purchase contracts	(10,867)	3,619	(7,248)
Net debt	340,778	(148,058)	192,720

	At 1 January 2022 £	Financing cash flows £	New finance leases £	At 31 December 2022 £
Cash at bank and in hand	488,649	(137,004)	-	351,645
Finance leases and hire purchase contracts	-	-	(10,867)	(10,867)
Net debt	488,649	(137,004)	(10,867)	340,778

24 Related party transactions

Group
The Charity has taken advantage of the exemption contained in FGRS 102 section 33.1 Related Party Disclosures and has therefore not disclosed transactions or balances with wholly owned entities which form part of the group.

Charity
During the year the charity made the following related party transactions:

Fen Peas Limited
(A company under common control of Stephen Francis)
During the year, PGRO invoiced Fen Peas Limited £nil (2022: £8,573). At the balance sheet date the amount due to/from Fen Peas Limited was £Nil (2022 - £Nil).

British Growers Association
(An organisation under common control of Jack Ward)
During the year, British Growers Association invoiced PGRO £39,186l. (2022: £9,949).

British Growers Association also offer the opportunity for their customers to become members and as a result, PGRO acquired a £1 share on 1st November 2022. The cost of this acquisition is presented within fixed asset investments. At the balance sheet date the amount due to British Growers Association was £3,856 (2022 - £51,249).

25 Controlling party

The Trustees do not consider that there is any single controlling party.

PROCESSORS AND GROWERS RESEARCH ORGANISATION

England & Wales - Charity number 284077

Accounts

Registered number: 00567232
Charity number: 284077

PROCESSORS AND GROWERS RESEARCH ORGANISATION

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

PROCESSORS AND GROWERS RESEARCH ORGANISATION
(A company limited by guarantee)

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PROCESSORS AND GROWERS RESEARCH ORGANISATION

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees	S W Bumstead 1 S J Francis 1 A Bury C S Stowe, Chairman 1 T J Yewbrey M Shuldham J M Hopwood D J Sedgeley S J Portas J R S Ward, Vice Chairman 1 Professor D L Sparkes G J Renner J A Maguire

1 Denotes member of the Management and Finance Committee

Company registered number	00567232
Charity registered number	284077
Registered office	The Research Station Great North Road Peterborough Cambridgeshire PE8 6HJ
Company secretary	Mr R G Vickers
Chief executive officer	Mr R G Vickers

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Independent auditors	Whitings LLP Raleigh House 14C Compass Point Business Park Stocks Bridge Way St Ives Cambridgeshire PE27 5JL
Bankers	Lloyds Bank Plc 65 High Street Stamford Lincolnshire PE9 2AT Clydesdale Bank Plc 10 Church Street Peterborough PE8 6HJ
Solicitors	Greenwoods Monkstone House City Road Peterborough PE1 1JE
Investment advisor	M&G Securities Limited PO Box 6108 Basildon SS15 5NA
Investment advisor	Telford Mann Limited Oakley House Headway Business Park 3 Saxon Way West Corby NN18 9EZ

PROCESSORS AND GROWERS RESEARCH ORGANISATION

(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees, who are also directors for the purpose of company law, present their annual report together with the audited financial statements of the Charity and its subsidiary for the year ended 31 December 2022.

STRATEGIC REPORT

Background

Established in 1944, Processors and Growers Research Organisation (PGRO) conducts innovative research and provides technical services on dry harvested peas, vining (freezing) peas and peas produced for canning operations and on other legumes and selected vegetables as appropriate. With over 70 years of research experience into legumes and other selected vegetable crops the Charity's work is recognised nationally and internationally as a source of reliable and independent technical advice.

Mission

PGRO's mission is to:

- Pursue the provision of current advice for growers, the realisation of improved crop yield, quality and economics.
- Facilitate open, accessible, reliable and relevant knowledge exchange.
- Develop progressive and innovative approaches to crop research and development.
- Create and maintain extensive and close links with growers, processors, trade and fundamental research communities.

In fulfilling its mission, PGRO works closely with organisations which are part of the production and/or usage chain including growers, plant breeders, crop protection organisations, processing companies, pulse cleaning organisations and trading specialists. These links are important since it ensures PGRO continues to effectively support UK legume production for both home and export markets.

Vision and Strategy

PGRO aims to be at the forefront of legume crop innovation and employs staff with specialist skills and knowledge to conduct field and glasshouse trials to improve legume production and evaluate variety and agrochemical quality and performance.

PGRO's scientific activities focus on the importance of soil health, the development of higher yielding crops which are resilient to climate change and environmentally friendly pest and disease control. The benefits of new knowledge are communicated to farmers and growers and to the food industry reliant on productive agriculture.

Performance

During 2022 PGRO continued to deliver services in accordance with its research objectives and effectively delivered research projects including:

- Surveillance of virus diseases in UK pea crops - AHDB funded
- Horticulture strategic centres for field vegetables - AHDB funded
- Improving productivity in pea, bean and legume growing through advanced data analytics, machine learning and AI techniques (IUK funded)
- Pea and bean weevil and bruchid beetle in faba beans (Ekhaga funded)
- Pea and bean downy mildew pathosystem: deploying disease resistance, pathogenomics and microbial biocontrol - BBSRC-LINK
- Pulse Crop Genetic Improvement Network – combining peas, field beans and lupins – funded by DEFRA and led by the John Innes Centre
- PeaGen - Genetic improvement of pea to replace soyabean in the diets of poultry and monogastric livestock – peas – BBSRC Link
- Scaled-up production and validation of pea midge and pea and bean weevil pheromones for pest management (peas and beans) . Funded by UKRI and co-funded by PheroSyn Ltd

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

The Charity, insofar as funds permitted conducted in-house research:

- Screening the efficacy of products designed to stimulate natural plant processes
- Cover cropping to improve and/or protect soil health
- Inter cropping
- Plant populations to maximise yield
- Molecular tests for pests and diseases
- Downy mildew control using foliar sprays in vining peas
- Bean seed fly (Delia platura) management
- Crop nutrition improvements
- Integrated crop management techniques
- Disease screening

The charitable objective of education is fulfilled by co-sponsoring a rolling programme of PhDs relevant and complimentary to PGRO's research and development strategy. During 2021 these comprised:

- Strategies to optimise pollination of the UK field bean crop (University of Cambridge).
- Understanding the link between N-cycling and bacterial cytoskeleton in the rhizobium-legume symbiosis (University of East Anglia)
- Understanding the diversity of organisms contributing to foot and root rot disease in faba bean in the United Kingdom (University of Newcastle upon Tyne)
- Realising the environmental benefits of faba beans (Vicia faba L.) via optimised nutrition and nitrogen fixation (Harper Adams University)
- Remote sensing and machine learning for the field-scale prediction of maturity and yield in vining pea (Pisum sativum L.) (University of Nottingham)
- The Biology and Integrated Management of Bean Seed Fly. (University of Warwick)

The Charity is also involved with Knowledge Transfer Partnership with the University of Nottingham.

PGRO continued to provide advice and information to stakeholders and undertook knowledge transfer activities. The 2022 joint PGRO/Syngenta roadshows were resumed in person and proved as popular as ever with recordings being made available online to reach a wider audience. The events enable PGRO's experts to inform growers and advisers on developments in pulse crop markets, agronomy and research.

Other knowledge transfer activities included online grower group meetings, production of articles, publications, crop bulletins and fact sheets. During 2022 the series of master class videos were further developed to PGRO's website giving practical advice and information, which received very positive feedback.

Experts from PGRO regularly liaise with pulse growing farmers via AHDB's Monitor and Strategic Farms (a nationwide networks of leading farms) which brings together farmers willing to share performance and best practise information.

PGRO continued to be actively involved with the Yield Enhancement Network linking agricultural organisations and farmers with the focus on closing the gap between current and potential yields in peas and beans.

Future Plans

PGRO will continue to be principally engaged in high quality applied agricultural research. The Trustees recognise an important aspect of the Charity's work is to contribute to the competitiveness and sustainability of UK legume crop production.

The Charity will continue to respond to appropriate grant funding calls, but the Trustees remain concerned that publicly available funding has reduced in recent years, whilst the grant application process is more competitive. The Trustees are confident the Charity will continue to identify and apply for all appropriate grants by submitting innovative ideas which emphasise the importance of efficient crop production through the most appropriate technology.

Collaborations with relevant industry and academic partners remain an important aspect of the Charity's work in order to achieve added value from joint working and sharing access to a wider base of skills and experience. The Charity will, insofar as funds permit, continue to expand its co-sponsorship of relevant PhDs complimentary to the Charity's R&D strategy.

The current strategic plan remains in force until the end of 2025, but is reviewed regularly to ensure it is fit for purpose in the light of identified emerging risks to the Charity and to ensure PGRO remains a solvent and respected and vibrant organisation.

The Charity will continue to engage in knowledge transfer events and produce publications and articles relevant to the agricultural sector and wider audiences as appropriate.

Public Benefit

Globally there are concerns around climate change, population growth and food security. Innovative crop science and technology addresses these pressures by increasing productivity and improving both environmental protection and resource conservation.

PGRO's main objective is to contribute to the advancement of the science of legume (and other crops as appropriate) by undertaking scientific research projects. Additional benefits derived from the Charity meeting its main objective include the advancement of knowledge and environmental improvement.

PGRO's independent and applied research into legume crops translates directly into farm practise, contributing to improvements in product quality and yields and environmentally friendly practises such as seed treatment, plant populations and crop husbandry.

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.

FINANCIAL REVIEW

The Trustees are pleased to announce PGRO's reserves increased by £147,043 (2021: increase £190,353).

Investment in capital equipment was undertaken as planned. The main areas were:
- Machinery and equipment £68k
- Improvements to facilities £20k

The Trustees are confident the direction and financial management of the charity remains robust, and continually review expenditure levels to ensure value for money is achieved.

Incoming resources for the charity for the year totalled £1.1m (2021: £1m), of which £80k related to restricted funds (2021: £0.1m).

Principal sources of income were derived from levy on legume crops traded ex-farm and research grants. The Trustees recognise the importance of diverse income streams for the financial health of the Charity and additional income came from:
- Contract trials
- Membership fees
- Conference facilities
- Technical services

All expenditure during the year was incurred in furtherance of the Charity's objectives. There are currently no significant future factors which the Trustees consider will affect financial performance.

By considering expected future income versus future financial obligations, the Trustees have a reasonable expectation that PGRO has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual reports and accounts.

Reserves Policy

The reserves policy considers:
- The nature of current activities and related income and expenditure streams
- The requirement to match variable income with any fixed expenditure commitments
- Any requirement to fulfil longer term liabilities
- Future plans including investment in fixed asset additions or replacements
- The overall business climate and the risks faced by the Charity

The Trustees regularly consider the risk to the Charity of any significant loss of income and also the risk of any unforeseen expenditure, thereby acknowledging the relationship between the risk management and reserves policies. The full effect of the UK exit from the European Union on UK agriculture and related research is as yet unknown. Therefore, the Trustees deem it prudent to hold sufficient reserves to mitigate any potential negative impact on future income in order for the Charity to be able to achieve its objectives.

At 31st December 2022, unrestricted funds were £2.7m. The Trustees aim to maintain free reserves in unrestricted funds at a level equating to 35 months of unrestricted charitable expenditure in so far as these funds are not committed to or invested in tangible fixed assets. The Trustees consider this level will provide sufficient funds to:
- Apply for external research grants (where match funding is a frequent requirement)
- Participate in external research where in-kind contributions are required
- Consider further sponsorship of PhDs with universities
- Further develop laboratory and molecular facilities
- Ensure the Charity's activities are maintained by undertaking industry approved research and development where external funding cannot be obtained
- Ensure seasonal variations of cash inflows due to inherent uncertainty in levy receipts are mitigated
- Replace and extend capital assets as necessary
- Fulfil long term liabilities
- Allow for medium to long term planning

At 31st December 2022 the Group had total reserves of £2.7m (£0.4m in tangible fixed assets and £2.3m in investments and net working capital).

Investment Policy

The investment policy considers:
- The current economic climate
- Future plans
- Contingencies for the variability of levy receipts
- Availability of grant funding
- Stock market implications

The Charity currently holds several long-term investments, the income from which directly contributes to the Charity's objectives. The Charity only invests in medium-risk products with due regard to social, environmental and ethical issues. The Trustees meet at least annually with representatives of the Fund Managers to review investment risk, income generation and capital growth.

Related Parties

The Charity has a wholly owned subsidiary, PGRO Research Limited, which donates its profits to PGRO (Charity) via gift aid in perpetuity.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

RISK ASSESSMENT AND MANAGEMENT

The Board of Trustees is responsible for ensuring there are effective and adequate risk management and internal controls systems in place to manage the major risks to which the Charity is exposed. The Risk Register (focusing on the key risk areas of governance, operational, financial, environmental and external/regulatory), identifies the risks PGRO faces, prioritises them in terms of likelihood of occurrence, their potential impact and how they can be mitigated.

The Board recognises the Risk Register is a live document and regularly review:

- The key risks the Charity may face, likelihood of materialisation, likely impact and the procedures required to minimise impact should they materialise
- Internal controls and procedures and their effectiveness to ensure the needs of the Charity are met and compliance with externally issued guidelines and statements of best practice.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisation

Processors and Growers Research Organisation was incorporated in England and Wales on 7th June 1956, and is a company limited by guarantee (registered number 00567232) and a registered charity (number 00284077). It is governed by its Memorandum and Articles of Association which were last amended 7th December 2017.

Members and Board of Trustees

The Board of Trustees comprises the Chair and up to fourteen additional trustee directors. The Trustees are also the members of the organisation. The Management and Finance Committee is an established sub-committee The following Trustees have served during the period:

S W Bumstead $
S J Francis $
A Bury
C S Stowe $ (Chairman)
G J Renner
D J Sedgeley
S J Portas
J R S Ward $ (Vice Chairman)
Professor D L Sparkes
T J Yewbrey
J M Hopwood
J A Maguire
M Shuldham

$ Denotes member of the Management and Finance Committee as at 31st December 2022.

Trustee Remuneration

No remuneration or benefit was paid or granted to any Trustee.

Recruitment, Induction and Training of Trustees

PGRO recruits Trustees with the relevant skillset to support the Charity's activities. A regularly reviewed induction programme is in place for newly appointed Trustees. All Trustees are encouraged to be familiar with the practical work of the Charity and maintain an understanding of its activities by attending the Charity's premises, events and meetings and engaging with staff.

Liability Insurance

The Charity holds Directors and Officers Insurance which will indemnify the Directors against claims from third parties. It does not provide cover in the event a Trustee is proven to have acted either fraudulently or dishonestly.

Governance

The Board of Trustees is responsible for the management of PGRO's affairs in accordance with its Memorandum and Articles of Association and meets regularly throughout the year to oversee the

Charity's strategic direction and financial probity.

The Trustees have used the UK Charity Governance Code to measure the performance of the Board and its structure. The Code considers a maximum of twelve trustees to be good practice, and whilst PGRO currently has thirteen board members (the Memorandum and Articles of Association allow a maximum of fifteen), the Trustees consider a greater number allows for representation from all the stakeholder groups the Charity engages with. The Trustees are also aware three of the Board members have served for more than the nine years prescribed by the Code. Their reappointment is approved providing they are still professionally active, have indicated their willingness to continue and any negative affect the loss of industry experience would have on the Board if a suitable replacement could not be sourced.

Additionally, the Management and Finance sub-committee (comprising the Chair, Vice-Chair, Chief Executive, Finance Manager and at least two other Board members) meets to:

- Consider strategic issues and make recommendations for full Board approval,
- Review and set remuneration of Charity staff for full Board approval,
- Receive, examine and discuss financial reports,
- Assess business progress against objectives and consider critical business risks,
- Consider health and safety issues,
- Consider capital investment and any other major expenditure for full Board approval,
- Consider all governance issues.

The Chief Executive (appointed by the Trustees) manages the day-to- day operation of the charitable company. To ensure effective operations the Chief Executive and Senior Management Team have delegated authority for all operational matters.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

The Trustees (who are also directors of Processors & Growers Research Organisation for the purposes of company law) are responsible for preparing the Trustees' Report incorporating the

Strategic Report and the financial statements in accordance with applicable company law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom General Accepted Accounting Practise (United Kingdom accounting standards and applicable law), including FRS102, the financial reporting standard applicable in the UK and Republic of Ireland.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

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 charitable group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 (FRS102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to

presume that the charitable group will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- So far as each Trustee is aware, there is no relevant audit information of which the auditors are unaware;
- They have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITORS

Whitings LLP has indicated its willingness to continue in office, and as such is deemed to be re-appointed under section 487 (2) of Companies Act 2006.

The Trustees approve the Trustees' Report, incorporating the Strategic Report and financial statements which are signed on behalf of the Board of trustees of Processors and Growers Research Organisation

Approved by order of the members of the board of Trustees on 7 August 2023 and signed on their behalf by:

C S Stowe
Chairman

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROCESSORS AND GROWERS RESEARCH ORGANISATION

Opinion

We have audited the financial statements of Processors and Growers Research Organisation (the 'charitable company') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the 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 charitable company's affairs as at 31 December 2022 and of its 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 Charities Act 2011.

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 charitable company 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

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROCESSORS AND GROWERS RESEARCH ORGANISATION (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROCESSORS AND GROWERS RESEARCH ORGANISATION (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management around actual and potential litigation and claims;
- Reviewing financial statement disclosures and testing supporting documentation to assess compliance with applicable laws and regulations; and
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, and reviewing accounting estimates for bias.

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROCESSORS AND GROWERS RESEARCH ORGANISATION (CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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.

Whitings LLP

Raleigh House

14C Compass Point Business Park

Stocks Bridge Way

St Ives

Cambridgeshire

PE27 5JL

7 August 2023

Whitings LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

PROCESSORS AND GROWERS RESEARCH ORGANISATION

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:					
Charitable activities	4	**887,326**	**79,046**	**966,372**	*826,248*
Investments	6	**200,357**	**-**	**200,357**	*130,379*
Other income	7	**-**	**-**	**-**	*1,094*
Total income		**1,087,683**	**79,046**	**1,166,729**	*957,721*
Expenditure on:					
Raising funds		**563,128**	**188,728**	**751,856**	*(5,815)*
Charitable activities	8	**180,106**	**-**	**180,106**	*823,093*
Total expenditure		**743,234**	**188,728**	**931,962**	*817,278*
Net income/(expenditure) before net (losses)/gains on investments		**344,449**	**(109,682)**	**234,767**	*140,443*
Net (losses)/gains on investments		**(87,724)**	**-**	**(87,724)**	*134,814*
Net income/(expenditure)		**256,725**	**(109,682)**	**147,043**	*275,257*
Transfers between funds	19	**(109,682)**	**109,682**	**-**	*-*
Net movement in funds		**147,043**	**-**	**147,043**	*275,257*
Reconciliation of funds:					
Total funds brought forward		**2,589,169**	**-**	**2,589,169**	*2,313,912*
Net movement in funds		**147,043**	**-**	**147,043**	*275,257*
Total funds carried forward		**2,736,212**	**-**	**2,736,212**	*2,589,169*

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 39 form part of these financial statements.

PROCESSORS AND GROWERS RESEARCH ORGANISATION

(A company limited by guarantee)
REGISTERED NUMBER: 00567232

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note		2022 £		*2021 £*
Fixed assets					
Tangible assets	13		**375,094**		*346,251*
Investments	14		**1,495,416**		*1,380,567*
			1,870,510		*1,726,818*
Current assets					
Debtors	15	**875,917**		*708,788*	
Cash at bank and in hand		**351,645**		*488,649*	
		1,227,562		*1,197,437*	
Creditors: amounts falling due within one year	16	**(354,613)**		*(335,086)*	
Net current assets			**872,949**		*862,351*
Total assets less current liabilities			**2,743,459**		*2,589,169*
Creditors: amounts falling due after more than one year	17		**(7,248)**		-
Net assets excluding pension asset			**2,736,211**		*2,589,169*
Total net assets			**2,736,211**		*2,589,169*

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

	Note	2022 £	*2021 £*
Charity funds			
Restricted funds	19	**-**	*-*
Unrestricted funds	19	**2,736,211**	*2,589,169*
Total funds		**2,736,211**	*2,589,169*

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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 have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 07 August 2023 and signed on their behalf by:

C S Stowe
Chairman

The notes on pages 18 to 39 form part of these financial statements.

PROCESSORS AND GROWERS RESEARCH ORGANISATION

(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	*2021* *£*
Cash flows from operating activities		
Net cash used in operating activities	**(19,108)**	*191,003*
Cash flows from investing activities		
Dividends, interests and rents from investments	**58,873**	*45,475*
Purchase of tangible fixed assets	**(87,801)**	*(50,610)*
Investment managers fees settled	**-**	*3,353*
Purchase of investments	**(402,572)**	*(150,000)*
Gift aid donation from subsidiary	**147,745**	*84,904*
Proceeds from the sale of investments	**200,000**	-
Net cash used in investing activities	**(83,755)**	**(66,878)**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**(102,863)**	**124,125**
Cash and cash equivalents at the beginning of the year	**500,240**	*376,115*
Cash and cash equivalents at the end of the year	**397,377**	*500,240*

The notes on pages 18 to 39 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

The Charity is a company limited by guarantee and is registered with the Charity Commission (Charity Registered Number 284077) and Registrar of Companies (Company Registration Number 00567232) in England and Wales.

The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activity is the provision of scientific research in relation to legume crops.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £2 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.

Processors and Growers Research Organisation 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.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concen basis in preparing the Trustees Report and accounts.

2. Accounting policies (continued)

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 is recognised exclusive of Value Added Tax and trade discounts.

Membership fees are recognised when the Charity has entitlement to the income.

Rent and meeting income is recognised when receivable.

Levy income is recognised when receivable, with the level of charges reviewed annually by reference to work done.

Research and technical income, technical services and publications income is recognised by reference to work done.

Revenue grants are credited as income when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred.

With regard to EU True Project and EU Leg Value grant income, such income is recognised in line with related expenditure as per the terms of the grants.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of donation.

Investment income is recognised when received and comprises interest on fixed interest securities and bank deposits and dividend income receivable.

Other income is recognised in the period in which it is receivable and to the extent that the goods or services have been provided.

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

The subsidiary trading company PGRO Research Ltd has agreed in advance by way of its constitution to mandate annually all profits made up to its parent Charity PGRO by way of charity gift aid donation. Such donation must be made within 9 months of the Balance Sheet date. Due to the commitment plus custom & practice established in this arrangement, the annual profit for the accounting period of the subsidiary is also included as gift aided income in the parent charity accounts in the same year that it arises in the subsidiary.

2. Accounting policies (continued)

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.

Support costs are those costs incurred directly in support of expenditure on the objectives of the Charity. Support costs have been allocated to each activity on the following basis, based on an estimate of staff time spent on each activity:

Research and development 72.57% (2021: 72.06%)
Knowledge transfer 27.43% (2021: 27.943%)

Governance costs are costs incurred in connection with the administration of the Charity and compliance with constitutional and statutory requirements.

Research and development expenditure is recognised as an expense in the period in which it is incurred.

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

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 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. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	-		Over the life of the lease
Plant and machinery	-	15%	on cost
Motor vehicles	-	20%	on cost
Office equipment	-	15%	on cost
Computer equipment	-	30%	on cost
Site development	-	10%	on cost

2.8 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 statement of financial activities.

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

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.

2.10 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. Accounting policies (continued)

2.11 Liabilities and provisions

Liabilities 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 Company 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 statement of financial activities as a finance cost.

2.12 Financial instruments

The Charity 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.

2.13 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 Company. 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 statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.14 Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

2.15 Pensions

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

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 Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company 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 judgement

Estimates 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.

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 as follows:

- Expected life of tangible fixed assets
- Support cost allocation

The Trustees consider that the expected useful lives of tangible fixed assets and support cost allocations are appropriate.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

4. Analysis of income from charitable activities - by type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Membership & levy fees	856,642	-	**856,642**	*700,102*
Grants receivable	-	79,046	**79,046**	*110,951*
Technical services & publications	10,805	-	**10,805**	*14,485*
Research & technical income	19,879	-	**19,879**	*710*
Total 2022	887,326	79,046	**966,372**	*826,248*
Total 2021	*715,297*	*110,951*	*826,248*	

5. Analysis of income from charitable activities - by fund

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Research and development	643,933	57,363	**701,296**	*595,359*
Knowledge transfer	243,394	21,682	**265,076**	*230,889*
Total 2022	887,327	79,045	**966,372**	*826,248*
Total 2021	*715,297*	*110,951*	*826,248*	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from local listed investments	52,455	**52,455**	*45,439*
Gift aid donation from subsidiary	147,745	**147,745**	*84,904*
Investment income - local cash	157	**157**	*36*
Total 2022	200,357	**200,357**	*130,379*
Total 2021	*130,379*	*130,379*	

7. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Other income	-	**-**	*1,094*
Total 2021	*1,094*	*1,094*	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	*Total 2021 £*
Research and development	143,535	-	**143,535**	*554,356*
Knowledge transfer	36,571	-	**36,571**	*268,737*
	180,106	-	**180,106**	*823,093*
Total 2021	*712,032*	*111,061*	*823,093*	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	*Total funds 2021 £*
Research and development	-	143,535	**143,535**	*554,356*
Knowledge transfer	-	36,571	**36,571**	*268,738*
Total 2022	-	180,106	**180,106**	*823,093*
Total 2021	*589,203*	*233,891*	*823,094*	

Analysis of support costs

	Research and development 2022 £	Knowledge transfer 2022 £	Total funds 2022 £	*Total funds 2021 £*
Staff costs	75,671	10,919	**86,590**	*143,922*
Depreciation	1,614	610	**2,224**	*3,999*
Travel & subsistence costs	327	124	**451**	*598*
Other staff costs	488	185	**673**	*1,486*
Repairs & maintenance	3,393	1,283	**4,676**	*3,970*
Stationery, advertising, postage & equipment hire	9,334	3,528	**12,862**	*14,591*
Office running costs	41,057	15,517	**56,574**	*51,085*
Professional fees	1,659	627	**2,286**	*5,815*
Governance costs	9,992	3,778	**13,770**	*8,425*
	143,535	36,571	**180,106**	*233,891*
Total 2021	*165,966*	*67,924*	*233,891*	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

. Analysis of direct costs

	Research and development 2022 £	Knowledge transfer 2022 £	Total funds 2022 £	*Total funds 2021 £*
Staff costs	362,110	59,532	**421,642**	*341,377*
Depreciation	41,172	15,562	**56,734**	*56,021*
Project costs	134,491	37,479	**171,970**	*111,061*
Other staff costs	7,860	2,298	**10,158**	*9,982*
Office running costs	1,393	1,393	**2,786**	*1,872*
Stationery, advertising, postage & equipment hire	1,817	10,192	**12,009**	*15,188*
Travel & subsistence	23,282	40,790	**64,072**	*47,884*
	572,125	167,246	**739,371**	*583,385*
Total 2021	*384,185*	*199,185*	*583,370*	

10. Auditors' remuneration

	2022 £	*2021 £*
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**7,955**	*6,975*

11. Staff costs

	2022 £	*2021 £*
Wages and salaries	**431,168**	*391,891*
Social security costs	**47,912**	*55,973*
Contribution to defined contribution pension schemes	**29,153**	*37,435*
	508,233	*485,299*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

11. Staff costs (continued)

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

	2022 No.	*2021 No.*
Management and administration	**3**	*3*
Direct charitable	**14**	*13*
	17	*16*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	*2021 No.*
In the band £80,001 - £90,000	**1**	*1*

The Key Management Personnel of the Group are the Trustees and the Senior Managers, being the CEO, the Finance Manager and the Principal Technical Officers. The Trustees are not remunerated.

The total of employer benefits, excluding employers social security contributions, received by Key Management Personnel of the Group was £217,174 (2021: £246,657).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2021 - £NIL)*.

During the year ended 31 December 2022, no Trustee expenses have been incurred *(2021 - £NIL)*.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

13. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Office and computer equipment £	Site development £	Total £
Cost or valuation						
At 1 January 2022	**284,472**	**409,265**	**32,490**	**133,343**	**302,354**	**1,161,924**
Additions	**-**	**67,552**	**-**	**-**	**20,250**	**87,802**
At 31 December 2022	**284,472**	**476,817**	**32,490**	**133,343**	**322,604**	**1,249,726**
Depreciation						
At 1 January 2022	**118,420**	**328,698**	**32,490**	**131,735**	**204,330**	**815,673**
Charge for the year	**2,765**	**35,756**	**-**	**841**	**19,596**	**58,958**
At 31 December 2022	**121,185**	**364,454**	**32,490**	**132,576**	**223,926**	**874,631**
Net book value						
At 31 December 2022	**163,287**	**112,363**	**-**	**767**	**98,678**	**375,095**

The tangible fixed assets are held for the direct furtherance of the Charity's objectives.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

14. Fixed asset investments

	Investments in subsidiary companies & mutual organisations £	Listed investments £	Total £
Cost or valuation			
At 1 January 2022	**1**	**1,380,566**	**1,380,567**
Additions	**1**	**402,572**	**402,573**
Disposals	**-**	**(200,000)**	**(200,000)**
Revaluations	**-**	**(87,724)**	**(87,724)**
At 31 December 2022	**2**	**1,495,414**	**1,495,416**
Net book value			
At 31 December 2022	**2**	**1,495,414**	**1,495,416**
At 31 December 2021	*1*	*1,380,566*	*1,380,567*

Listed investments held at fair value comprise funds indirectly held by fund managers M&G Investments and Telford Mann Investments. All investments in listed securities are held in UK common investment funds and are included within unrestricted funds. Investments are revalued to recognise their fair value at each balance sheet date.

14. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	Principal activity
PGRO Research Limited	07583822	Great North Road, Thornhaugh, Peterborough, Cambridgeshire, PE8 6HJ	Trading activities on behalf of the charitable parent company

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Net assets £
PGRO Research Limited	1

15. Debtors

	2022 £	*2021 £*
Due within one year		
Trade debtors	**393,729**	*292,600*
Amounts owed by group undertakings	**375,097**	*276,359*
Other debtors	**107,091**	*139,829*
	875,917	*708,788*

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

16. Creditors: Amounts falling due within one year

	2022 £	*2021 £*
Trade creditors	**171,471**	*45,995*
Amounts owed to group undertakings	**22,570**	*64,306*
Other taxation and social security	**88,005**	*102,939*
Obligations under finance lease and hire purchase contracts	**3,619**	*-*
Accruals and deferred income	**68,948**	*121,846*
	354,613	*335,086*

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

	2022 £	*2021 £*
Deferred income at 1 January 2022	**(16,754)**	*-*
Resources deferred during the year	**-**	*18,737*
Amounts released from previous periods	**16,754**	*(35,491)*
	-	*(16,754)*

Deferred income comprises income in relation to future period associate fees (subscriptions) and project work.

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

	2022 £	*2021 £*
Net obligations under finance lease and hire purchase contracts	**7,248**	*-*

18. Financial instruments

	2022 £	*2021 £*
Financial assets		
Financial assets measured at fair value through income and expenditure	**351,644**	*488,649*

Financial assets measured at fair value through income and expenditure comprise cash held at bank and in hand.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

19. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds						
Designated funds						
Designated Funds - all funds	-	-	-	-	-	-
Fixed asset fund	**397,349**	-	-	**20,250**	-	**417,599**
	397,349	-	-	**20,250**	-	**417,599**
General funds						
General Funds - all funds	**1,939,092**	**939,938**	**(743,235)**	**(129,932)**	-	**2,005,863**
Trading subsidiary	-	**147,745**	-	-	-	**147,745**
Revaluation reserve	**252,728**	-	-	-	**(87,724)**	**165,004**
	2,191,820	**1,087,683**	**(743,235)**	**(129,932)**	**(87,724)**	**2,318,612**
Total Unrestricted funds	**2,589,169**	**1,087,683**	**(743,235)**	**(109,682)**	**(87,724)**	**2,736,211**
Restricted funds						
Restricted Funds - all funds	-	**79,046**	**(188,728)**	**109,682**	-	-
Restricted Funds	-	-	-	-	-	-
	-	**79,046**	**(188,728)**	**109,682**	-	-
Total of funds	**2,589,169**	**1,166,729**	**(931,963)**	-	**(87,724)**	**2,736,211**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 December 2021* £
Unrestricted funds						
Designated funds						
Designated Funds - all funds	*355,663*	-	-	-	-	*355,663*
Fixed asset fund	-	-	-	-	-	-
	355,663	-	-	-	-	*355,663*
General funds						
General Funds - all funds	*1,958,249*	*761,866*	*(706,217)*	*(110)*	*219,718*	*2,233,506*
Trading subsidiary	-	-	-	-	-	-
Revaluation reserve	-	-	-	-	-	-
	1,958,249	*761,866*	*(706,217)*	*(110)*	*219,718*	*2,233,506*
Total Unrestricted funds	*2,313,912*	*761,866*	*(706,217)*	*(110)*	*219,718*	*2,589,169*
Restricted funds						
Restricted Funds - all funds	-	-	-	-	-	-
Restricted Funds	-	*110,951*	*(111,061)*	*110*	-	-
	-	*110,951*	*(111,061)*	*110*	-	-
Total of funds	*2,313,912*	*872,817*	*(817,278)*	-	*219,718*	*2,589,169*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

19. Statement of funds (continued)

Purposes of designated funds

Fixed assets fund - This represents the value of general funds invested in land and buildings and other similar fixed assets and is therefore not readily available for other purposes.

Purposes of general funds

General funds - The 'free reserves' after all other designations and restrictions. The transfer to the fixed asset fund of £20,250 (2021: £41,686) represents the net of fixed asset additions and disposals in the year.

Trading subsidiary - Reserves in relation to the performance of the trading subsidiary PGRO Research Limited. The transfer of £147,745 (2021: £84,904) to the general fund from this fund represents the gift aid of the profits from the trading subsidiary to the Charity.

Revaluation reserve - Being the difference between the historic cost value and the year end fair value of listed securities investments are per note 14.

Purposes of restricted funds

Restricted funds - These relate solely to grant income and related expenditure to match grant funded projects as required under the terms of the grant offer letters, and is therefore not readily available for other purposes.

Colin Leakey bursary fund - Undertaking ongoing research of Phaseolus beans.

Transfers from unrestricted funds to restricted funds represent unrestricted funds utilised on restricted projects of the Charity.

20. Summary of funds

Summary of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Designated funds	**397,349**	**-**	**-**	**20,250**	**-**	**417,599**
General funds	**2,191,820**	**1,087,683**	**(743,235)**	**(129,932)**	**(87,724)**	**2,318,612**
Restricted funds	**-**	**79,046**	**(188,728)**	**109,682**	**-**	**-**
	2,589,169	**1,166,729**	**(931,963)**	**-**	**(87,724)**	**2,736,211**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

20. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 January 2021 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 December 2021* £
Designated funds	*355,663*	*-*	*-*	*-*	*-*	*355,663*
General funds	*1,958,249*	*761,866*	*(706,217)*	*(110)*	*219,718*	*2,233,506*
Restricted funds	*-*	*110,951*	*(111,061)*	*110*	*-*	*-*
	2,313,912	*872,817*	*(817,278)*	*-*	*219,718*	*2,589,169*

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	**Restricted funds 2022** £	**Total funds 2022** £
Tangible fixed assets	375,094	-	**375,094**
Fixed asset investments	1,495,416	-	**1,495,416**
Current assets	1,227,561	-	**1,227,561**
Creditors due within one year	(354,614)	-	**(354,614)**
Creditors due in more than one year	(7,248)	-	**(7,248)**
Total	2,736,209	-	**2,736,209**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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

	2022 £	*2021 £*
Net income for the year (as per Statement of Financial Activities)	**147,043**	*275,257*
Adjustments for:		
Depreciation charges	**58,958**	*60,020*
Gains/(losses) on investments	**87,724**	*(134,814)*
Dividends, interests and rents from investments	**(58,872)**	*(45,475)*
Gift aid donation from subsidiary	**(147,745)**	*(84,904)*
Decrease/(increase) in debtors	**(167,133)**	*65,632*
Increase in creditors	**26,776**	*43,695*
Movement of cash held in investment wrapper	**34,141**	*11,592*
Net cash provided by/(used in) operating activities	**(19,108)**	*191,003*

23. Analysis of cash and cash equivalents

	2022 £	*2021 £*
Cash in hand	**351,644**	*488,648*
Cash held in investment wrapper	**45,733**	*11,592*
Total cash and cash equivalents	**397,377**	*500,240*

24. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	Acquisition and disposal of subsidiaries £	At 31 December 2022 £
Cash at bank and in hand	**488,649**	**(137,005)**	**-**	**351,644**
Hire purchase	**-**	**-**	**(10,867)**	**(10,867)**
	488,649	**(137,005)**	**(10,867)**	**340,777**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

25. Capital commitments

	2022 £	*2021 £*
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	**-**	*22,000*

26. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The pension cost charge represents contributions payable by the Charity to the fund and amounted to £38,918 (2021: £40,695).

At the year end, pension contributions payable of £Nil were included within taxation & social security (2021: £6,301).

27. Operating lease commitments

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

	2022 £	*2021 £*
Not later than 1 year	**16,372**	*26,731*
Later than 1 year and not later than 5 years	**2,705**	*14,040*
	19,077	*40,771*

28. Related party transactions

The Charity has taken advantage of the exemption contained in FGRS 102 section 33.1 Related Party Disclosures and has therefore not disclosed transactions or balances with wholly owned entities which form part of the group.

Fen Peas Limited - a company under common control of Stephen Francis
During the year, PGRO invoiced Fen Peas Limited £8,573 (2021: £10,385). The amount outstanding from Fen Peas Limited at the balance sheet date was £Nil (2021: £Nil).

British Growers Association - an organisation under common control of John Ward
During the year, British Growers Association invoiced PGRO £6,735 (2021: £Nil). The amount outstanding to British Growers Association at the balance sheet date was £8,082 (2021: £Nil). British Growers Association also offer the opportunity for their customers to become members and as a result, PGRO acquired a £1 share on 1st November 2022. The cost of this acquisition is presented within fixed asset investments.

Key Management Personnel remuneration has been disclosed in note 11 and Trustees remuneration & expenses have been disclosed in note 12.

29. Controlling party

The Trustees do not consider that there is any single controlling party.

PROCESSORS AND GROWERS RESEARCH ORGANISATION

England & Wales - Charity number 284077

Accounts

Registered number: 00567232
Charity number: 284077

PROCESSORS AND GROWERS RESEARCH ORGANISATION

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

PROCESSORS AND GROWERS RESEARCH ORGANISATION
(A company limited by guarantee)

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PROCESSORS AND GROWERS RESEARCH ORGANISATION

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees	S W Bumstead 1 S J Francis, Chairman 1 A Bury C S Stowe, Vice Chairman 1 T J Yewbrey M Shulden (appointed 15 June 2021) J M Hopwood D J Sedgeley S J Portas J R S Ward 1 Professor D L Sparkes L J Cottey (resigned 15 June 2021) J A Maguire

1 Denotes member of the Management and Finance Committee

Company registered number	00567232
Charity registered number	284077
Registered office	The Research Station Great North Road Peterborough Cambridgeshire PE8 6HJ
Company secretary	Mr R G Vickers
Chief executive officer	Mr R G Vickers

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Independent auditors	Whitings LLP Raleigh House 14C Compass Point Business Park Stocks Bridge Way St Ives Cambridgeshire PE27 5JL
Bankers	Lloyds Bank Plc 65 High Street Stamford Lincolnshire PE9 2AT Clydesdale Bank Plc 10 Church Street Peterborough PE8 6HJ
Solicitors	Greenwoods Monkstone House City Road Peterborough PE1 1JE
Investment advisor	M&G Securities Limited PO Box 6108 Basildon SS15 5NA
Investment advisor	Telford Mann Limited Oakley House Headway Business Park 3 Saxon Way West Corby NN18 9EZ

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees, who are also directors for the purpose of company law, present their annual report together with the audited financial statements of the Charity and its subsidiary for the year ended 31 December 2021.

STRATEGIC REPORT

Background

Established in 1944, Processors and Growers Research Organisation (PGRO) conducts innovative research and provides technical services on dry harvested peas, vining (freezing) peas and peas produced for canning operations and on other legumes and selected vegetables as appropriate. With over 70 years of research experience into legumes and other selected vegetable crops the Charity's work is recognised nationally and internationally as a source of reliable and independent technical advice.

Mission

PGRO's mission is to:
- Pursue the provision of current advice for growers, the realisation of improved crop yield, quality and economics.
- Facilitate open, accessible, reliable and relevant knowledge exchange.
- Develop progressive and innovative approaches to crop research and development.
- Create and maintain extensive and close links with growers, processors, trade and fundamental research communities.

In fulfilling its mission, PGRO works closely with organisations which are part of the production and/or usage chain including growers, plant breeders, crop protection organisations, processing companies, pulse cleaning organisations and trading specialists. These links are important since it ensures PGRO continues to effectively support UK legume production for both home and export markets.

Vision and Strategy

PGRO aims to be at the forefront of legume crop innovation and employs staff with specialist skills and knowledge to conduct field and glasshouse trials to improve legume production and evaluate variety and agrochemical quality and performance.

PGRO's scientific activities focus on the importance of soil health, the development of higher yielding crops which are resilient to climate change and environmentally friendly pest and disease control. The benefits of new knowledge are communicated to farmers and growers and to the food industry reliant on productive agriculture.

Performance

During 2021 PGRO continued to deliver services in accordance with its research objectives and effectively delivered research projects including:
- Surveillance of virus diseases in UK pea crops - AHDB funded
- Horticulture strategic centres for field vegetables - AHDB funded
- Fostering Sustainable Legume Based Farming Systems and Agrifeed and Food Chains in the EU (LEGVALUE) – part EU funded
- Transition Paths to Sustainable Legume Based Systems in Europe (TRUE) – part EU funded
- Improving productivity in pea, bean and legume growing through advanced data analytics, machine learning and AI techniques (IUK funded)
- Pea and bean weevil and bruchid beetle in faba beans (Ekhaga funded)

The Charity, insofar as funds permitted conducted in-house research:
- Screening the efficacy of products designed to stimulate natural plant processes
- Cover cropping to improve and/or protect soil health
- Inter cropping
- Plant populations to maximise yield

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

- Molecular tests for pests and diseases

The charitable objective of education is fulfilled by co-sponsoring a rolling programme of PhDs relevant and complimentary to PGRO's research and development strategy. During 2021 these comprised:
- Understanding and mitigating pea yield decline due to foot rot (University of Warwick).
- Management of stem and bulb nematode in field beans (Harper Adams University).
- Strategies to optimise pollination of the UK field bean crop (University of Cambridge).
- Understanding and increased knowledge of bean seed fly biology to develop an integrated control strategy (University of Warwick University).
- Understanding the link between N-cycling and bacterial cytoskeleton in the rhizobium-legume symbiosis (University of East Anglia)

The Charity is also involved with Knowledge Transfer Partnership with the University of Nottingham.

PGRO continued to provide advice and information to stakeholders and undertook knowledge transfer activities. The 2021 joint PGRO/Syngenta roadshows were again held online due to Covid-19, but proved as popular as ever, enabling PGRO's experts to inform growers and advisers on developments in pulse crop markets, agronomy and research.

Other knowledge transfer activities included online grower group meetings, production of articles, publications, crop bulletins and fact sheets. During 2021 a series of videos were uploaded to PGRO's website giving practical advice and information, which received very positive feedback.

Experts from PGRO regularly liaise with pulse growing farmers via AHDB's Monitor Farms (a nationwide network of farms) which brings together farmers willing to share performance and best practise information.

PGRO continued to be actively involved with the Yield Enhancement Network linking agricultural organisations and farmers with the focus on closing the gap between current and potential yields in peas.

Future Plans

PGRO will continue to be principally engaged in high quality applied agricultural research. The Trustees recognise an important aspect of the Charity's work is to contribute to the competitiveness and sustainability of UK legume crop production.

The Charity will continue to respond to appropriate grant funding calls, but the Trustees remain concerned that publicly available funding has reduced in recent years, whilst the grant application process is more competitive. The Trustees are confident the Charity will continue to identify and apply for all appropriate grants by submitting innovative ideas which emphasise the importance of efficient crop production through the most appropriate technology.

Collaborations with relevant industry and academic partners remain an important aspect of the Charity's work in order to achieve added value from joint working and sharing access to a wider base of skills and experience. The Charity will, insofar as funds permit, continue to expand its co-sponsorship of relevant PhDs complimentary to the Charity's R&D strategy.

The current strategic plan remains in force until the end of 2025, but is reviewed regularly to ensure it is fit for purpose in the light of identified emerging risks to the Charity and to ensure PGRO remains a solvent and respected and vibrant organisation.

The Charity will continue to engage in knowledge transfer events and produce publications and articles relevant to the agricultural sector and wider audiences as appropriate.

Public Benefit

Globally there are concerns around climate change, population growth and food security. Innovative crop science and technology addresses these pressures by increasing productivity and improving both environmental

protection and resource conservation.

PGRO's main objective is to contribute to the advancement of the science of legume (and other crops as appropriate) by undertaking scientific research projects. Additional benefits derived from the Charity meeting its main objective include the advancement of knowledge and environmental improvement.

PGRO's independent and applied research into legume crops translates directly into farm practise, contributing to improvements in product quality and yields and environmentally friendly practises such as seed treatment, plant populations and crop husbandry.

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.

FINANCIAL REVIEW

The Trustees are pleased to announce PGRO's reserves increased by £190,353 (2020: decrease £227,685).

Investment in capital equipment was undertaken as planned. The main areas were:
- Machinery and equipment £9k
- Improvements to facilities £42k

The Trustees are confident the direction and financial management of the charity remains robust, and continually review expenditure levels to ensure value for money is achieved.

Incoming resources for the charity for the year totalled £0.873m (2020: £0.742m), of which £0.1m related to restricted funds (2020: £0.1m), and for the Group £1.325m (2020: £1.199m).

Principal sources of income were derived from levy on legume crops traded ex-farm and research grants. The Trustees recognise the importance of diverse income streams for the financial health of the Charity and additional income came from:
- Contract trials
- Membership fees
- Conference facilities
- Technical services

All expenditure during the year was incurred in furtherance of the Charity's objectives. There are currently no significant future factors which the Trustees consider will affect financial performance.

By considering expected future income versus future financial obligations, the Trustees have a reasonable expectation that PGRO has adequate resources to continue in operational existence for

the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual reports and accounts.

Reserves Policy

The reserves policy considers:
- The nature of current activities and related income and expenditure streams
- The requirement to match variable income with any fixed expenditure commitments
- Any requirement to fulfil longer term liabilities
- Future plans including investment in fixed asset additions or replacements
- The overall business climate and the risks faced by the Charity

The Trustees regularly consider the risk to the Charity of any significant loss of income and also the risk of any unforeseen expenditure, thereby acknowledging the relationship between the risk management and reserves policies. The full effect of the UK exit from the European Union on UK agriculture and related research is as yet

unknown. Therefore, the Trustees deem it prudent to hold sufficient reserves to mitigate any potential negative impact on future income in order for the Charity to be able to achieve its objectives.

At 31st December 2021, unrestricted funds of the Charity were £2.5m. The Trustees aim to maintain free reserves in unrestricted funds at a level equating to 6 months of unrestricted charitable expenditure in so far as these funds are not committed to or invested in tangible fixed assets. The Trustees consider this level will provide sufficient funds to:

- Apply for external research grants (where match funding is a frequent requirement)
- Participate in external research where in-kind contributions are required
- Consider further sponsorship of PhDs with universities
- Further develop laboratory and molecular facilities
- Ensure the Charity's activities are maintained by undertaking industry approved research and development where external funding cannot be obtained
- Ensure seasonal variations of cash inflows due to inherent uncertainty in levy receipts are mitigated
- Replace and extend capital assets as necessary
- Fulfil long term liabilities
- Allow for medium to long term planning

At 31st December 2021 the Group had total reserves of £2.6m (£0.3m in fixed assets and £2.3m in investments and net working capital).

Investment Policy

The investment policy considers:

- The current economic climate
- Future plans
- Contingencies for the variability of levy receipts
- Availability of grant funding
- Stock market implications

The Charity currently holds several long-term investments, the income from which directly contributes to the Charity's objectives. The Charity only invests in medium-risk products with due regard to social, environmental and ethical issues. The Trustees meet at least annually with representatives of the Fund Managers to review investment risk, income generation and capital growth.

Related Parties

The Charity has a wholly owned subsidiary, PGRO Research Limited, which donates its profits to PGRO (Charity) via gift aid in perpetuity.

RISK ASSESSMENT AND MANAGEMENT

The Board of Trustees is responsible for ensuring there are effective and adequate risk management and internal controls systems in place to manage the major risks to which the Charity is exposed. The Risk Register (focusing on the key risk areas of governance, operational, financial, environmental and external/regulatory), identifies the risks PGRO faces, prioritises them in terms of likelihood of occurrence, their potential impact and how they can be mitigated.

The Board recognises the Risk Register is a live document and regularly review:

- The key risks the Charity may face, likelihood of materialisation, likely impact and the procedures required to minimise impact should they materialise
- Internal controls and procedures and their effectiveness to ensure the needs of the Charity are met and compliance with externally issued guidelines and statements of best practice.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisation

Processors and Growers Research Organisation was incorporated in England and Wales on 7th June 1956, and is a company limited by guarantee (registered number 00567232) and a registered charity (number 00284077). It is governed by its Memorandum and Articles of Association which were last amended 7th December 2017.

Members and Board of Trustees

The Board of Trustees comprises the Chair and up to fourteen additional trustee directors. The Trustees are also the members of the organisation. The Management and Finance Committee is an established sub-committee The following Trustees have served during the period:

S W Bumstead $
S J Francis (Chairman) $
A Bury
C S Stowe $ (Vice Chairman)

C G Renner (resigned 15th June 2021)
D J Sedgeley
S J Portas
J R S Ward $
Professor D L Sparkes
T J Yewbrey
L J Cottey (resigned 15th June 2021)
J M Hopwood
J A Maguire
M Shuldham (appointed 15th June 2021)

$ Denotes member of the Management and Finance Committee as at 31st December 2021.

Trustee Remuneration

No remuneration or benefit was paid or granted to any Trustee.

Recruitment, Induction and Training of Trustees

PGRO recruits Trustees with the relevant skillset to support the Charity's activities. A regularly reviewed induction programme is in place for newly appointed Trustees. All Trustees are encouraged to be familiar with the practical work of the Charity and maintain an understanding of its activities by attending the Charity's premises, events and meetings and engaging with staff.

Liability Insurance

The Charity holds Directors and Officers Insurance which will indemnify the Directors against claims from third parties. It does not provide cover in the event a Trustee is proven to have acted either fraudulently or dishonestly.

Governance

The Board of Trustees is responsible for the management of PGRO's affairs in accordance with its Memorandum and Articles of Association and meets regularly throughout the year to oversee the Charity's strategic direction and financial probity.

The Trustees have used the UK Charity Governance Code to measure the performance of the Board and its structure. The Code considers a maximum of twelve trustees to be good practice, and whilst PGRO currently has thirteen board members (the Memorandum and Articles of Association allow a maximum of fifteen), the

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees consider a greater number allows for representation from all the stakeholder groups the Charity engages with. The Trustees are also aware three of the Board members have served for more than the nine years prescribed by the Code. Their reappointment is approved providing they are still professionally active, have indicated their willingness to continue and any negative affect the loss of industry experience would have on the Board if a suitable replacement could not be sourced.

Additionally, the Management and Finance sub-committee (comprising the Chair, Vice-Chair, Chief Executive, Finance Manager and at least two other Board members) meets to:

- Consider strategic issues and make recommendations for full Board approval,
- Review and set remuneration of Charity staff for full Board approval,
- Receive, examine and discuss financial reports,
- Assess business progress against objectives and consider critical business risks,
- Consider health and safety issues,
- Consider capital investment and any other major expenditure for full Board approval,
- Consider all governance issues.

The Chief Executive (appointed by the Trustees) manages the day-to- day operation of the charitable company. To ensure effective operations the Chief Executive and Senior Management Team have delegated authority for all operational matters.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

The Trustees (who are also directors of Processors & Growers Research Organisation for the purposes of company law) are responsible for preparing the Trustees' Report incorporating the

Strategic Report and the financial statements in accordance with applicable company law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom General Accepted Accounting Practise (United Kingdom accounting standards and applicable law), including FRS102, the financial reporting standard applicable in the UK and Republic of Ireland.

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 charitable group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 (FRS102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- So far as each Trustee is aware, there is no relevant audit information of which the auditors are unaware;
- They have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

information.

The Trustees are responsible for the maintenance and integrity of the corporate financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITORS

Whitings LLP has indicated its willingness to continue in office, and as such is deemed to be re-appointed under section 487 (2) of Companies Act 2006.

The Trustees approve the Trustees' Report, incorporating the Strategic Report and financial statements which are signed on behalf of the Board of trustees of Processors and Growers Research Organisation

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

.....
Trustee

Date: 14th June 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROCESSORS AND GROWERS RESEARCH ORGANISATION

Opinion

We have audited the financial statements of Processors and Growers Research Organisation (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 company 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 2021 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 and the Charities Act 2011.

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

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 Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROCESSORS AND GROWERS RESEARCH ORGANISATION (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' 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.

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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 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.

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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROCESSORS AND GROWERS RESEARCH ORGANISATION (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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management around actual and potential litigation and claims;
- Reviewing financial statement disclosures and testing supporting documentation to assess compliance with applicable laws and regulations; and
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, and reviewing accounting estimates for bias

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROCESSORS AND GROWERS RESEARCH ORGANISATION (CONTINUED)

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, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.

Mark Haydon BA CA (senior statutory auditor)

for and on behalf of
Whitings LLP

Raleigh House

14C Compass Point Business Park

Stocks Bridge Way

St Ives

Cambridgeshire

PE27 5JL

Date: 23-9-2022

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income from:					
Charitable activities	4	**715,297**	**110,951**	**826,248**	*687,262*
Other trading activities	6	**452,126**	**-**	**452,126**	*457,356*
Investments	7	**45,472**	**-**	**45,472**	*51,636*
Other income	8	**1,094**	**-**	**1,094**	*3,118*
Total income		**1,213,989**	**110,951**	**1,324,940**	*1,199,372*
Expenditure on:					
Raising funds	9	**367,222**	**-**	**367,222**	*320,960*
Charitable activities	10	**706,217**	**111,061**	**817,278**	*948,825*
Total expenditure		**1,073,439**	**111,061**	**1,184,500**	*1,269,785*
Net income/(expenditure) before net gains/(losses) on investments		**140,550**	**(110)**	**140,440**	*(70,413)*
Net gains/(losses) on investments		**134,814**	**-**	**134,814**	*(157,272)*
Net income/(expenditure)		**275,364**	**(110)**	**275,254**	*(227,685)*
Transfers between funds	20	**(110)**	**110**	**-**	*-*
Net movement in funds		**275,254**	**-**	**275,254**	*(227,685)*
Reconciliation of funds:					
Total funds brought forward		**2,313,915**	**-**	**2,313,915**	*2,541,600*
Net movement in funds		**275,254**	**-**	**275,254**	*(227,685)*
Total funds carried forward		**2,589,169**	**-**	**2,589,169**	*2,313,915*

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 20 to 43 form part of these financial statements.

PROCESSORS AND GROWERS RESEARCH ORGANISATION
(A company limited by guarantee)
REGISTERED NUMBER: 00567232

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		2021 £		*2020 £*
Fixed assets					
Tangible assets	15		**346,251**		*355,662*
Investments	16		**1,380,566**		*1,099,104*
			1,726,817		*1,454,766*
Current assets					
Debtors	17	**569,684**		*433,002*	
Cash at bank and in hand		**550,031**		*697,200*	
		1,119,715		*1,130,202*	
Creditors: amounts falling due within one year	18	**(257,363)**		*(271,053)*	
Net current assets			**862,352**		*859,149*
Total assets less current liabilities			**2,589,169**		*2,313,915*
Net assets excluding pension asset			**2,589,169**		*2,313,915*
Total net assets			**2,589,169**		*2,313,915*
Charity funds					
Restricted funds	20		-		-
Unrestricted funds	20		**2,589,169**		*2,313,915*
Total funds			**2,589,169**		*2,313,915*

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 have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
Trustee

Date: 14th June 2022

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The notes on pages 20 to 43 form part of these financial statements.

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021

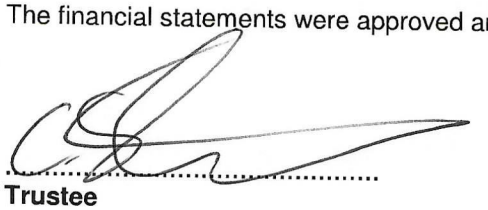
	Note		2021 £		2020 £
Fixed assets					
Tangible assets	15		**346,251**		*355,662*
Investments	16		**1,380,566**		*1,099,104*
			1,726,817		*1,454,766*
Current assets					
Debtors	17	**623,885**		*774,424*	
Cash at bank and in hand		**488,649**		*376,115*	
		1,112,534		*1,150,539*	
Creditors: amounts falling due within one year	18	**(335,085)**		*(291,390)*	
Net current assets			**777,449**		*859,149*
Total assets less current liabilities			**2,504,266**		*2,313,915*
Net assets excluding pension asset			**2,504,266**		*2,313,915*
Total net assets			**2,504,266**		*2,313,915*
Charity funds					
Restricted funds	20		-		-
Unrestricted funds	20		**2,504,266**		*2,313,915*
Total funds			**2,504,266**		*2,313,915*

The Company's net movement in funds for the year was £190,351 *(2020 - £(364,080))*.

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 have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Trustee

Date: 14th June 2022.

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The notes on pages 20 to 43 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	*2020* *£*
Cash flows from operating activities		
Net cash used in operating activities	**4,611**	*(79,962)*
Cash flows from investing activities		
Dividends, interests and rents from investments	**45,475**	*51,636*
Purchase of tangible fixed assets	**(50,610)**	*(38,920)*
Purchase of investments	**(150,000)**	-
Investment managers fees settled	**3,356**	-
Net cash (used in)/provided by investing activities	**(151,779)**	**12,716**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**(147,168)**	**(67,246)**
Cash and cash equivalents at the beginning of the year	**697,202**	*764,448*
Cash and cash equivalents at the end of the year	**550,034**	*697,202*

The notes on pages 20 to 43 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

The Charity is a company limited by guarantee and is registered with the Charity Commission (Charity Registered Number 284077) and Registrar of Companies (Company Registration Number 00567232) in England and Wales.

The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activity is the provision of scientific research in relation to legume crops.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £2 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.

Processors and Growers Research Organisation 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 Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company 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

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concen basis in preparing the Trustees Report and accounts.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

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 is recognised exclusive of Value Added Tax and trade discounts.

Membership fees are recognised when the Charity has entitlement to the income.

Rent and meeting income is recognised when receivable.

Levy income is recognised when receivable, with the level of charges reviewed annually by reference to work done.

Research and technical income, technical services and publications income is recognised by reference to work done.

Revenue grants are credited as income when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred.

With regard to EU True Project and EU Leg Value grant income, such income is recognised in line with related expenditure as per the terms of the grants.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of donation.

Investment income is recognised when received and comprises interest on fixed interest securities and bank deposits and dividend income receivable.

Other income is recognised in the period in which it is receivable and to the extent that the goods or services have been provided.

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2. Accounting policies (continued)

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.

Support costs are those costs incurred directly in support of expenditure on the objectives of the Charity. Support costs have been allocated to each activity on the following basis, based on an estimate of staff time spent on each activity:

Research and development 72.06% (2020: 70.27%)
Knowledge transfer 27.94% (2020: 29.73%)

Governance costs are costs incurred in connection with the administration of the Charity and compliance with constitutional and statutory requirements.

Research and development expenditure is recognised as an expense in the period in which it is incurred.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	-		Over the life of the lease
Plant and machinery	-	15%	on cost
Motor vehicles	-	20%	on cost
Office equipment	-	15%	on cost
Computer equipment	-	30%	on cost
Site development	-	10%	on cost

2.8 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.

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.

2.10 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. Accounting policies (continued)

2.11 Liabilities and provisions

Liabilities 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 Company 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 Financial instruments

The Charity 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.

2.13 Operating leases

Rentals paid under operating leases are charged to the consolidated statement of financial activities on a straight line basis over the lease term.

2.14 Pensions

The Charity 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.

2.15 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

3. Critical accounting estimates and areas of judgement

Estimates 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.

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 as follows:

- Expected life of tangible fixed assets
- Support cost allocation

The Trustees consider that the expected useful lives of tangible fixed assets and support cost allocations are appropriate.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

4. Analysis of income from charitable activities - by type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Membership & levy fees	700,102	-	**700,102**	*539,501*
Grants receivable	-	110,951	**110,951**	*133,893*
Technical services & publications	14,485	-	**14,485**	*10,105*
Research & technical income	710	-	**710**	*3,764*
	715,297	110,951	**826,248**	*687,263*
Total 2020	*553,369*	*133,894*	*687,263*	

5. Analysis of income from charitable activities - by activity

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Research and development	515,412	79,947	**595,359**	*508,865*
Knowledge transfer	199,885	31,004	**230,889**	*178,398*
Total 2021	715,297	110,951	**826,248**	*687,263*
Total 2020	*553,369*	*133,894*	*687,263*	

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £
Trading subsidiary	452,126	**452,126**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

7. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income from local listed investments	45,436	**45,436**	*51,442*
Investment income - local cash	36	**36**	*194*
	45,472	**45,472**	*51,636*
Total 2020	*51,636*	*51,636*	

8. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Other income	1,094	**1,094**	*3,118*
Total 2020	*3,118*	*3,118*	

9. Expenditure on raising funds

Other trading expenses

	Unrestricted funds 2021 £	Total funds 2021 £
Charity trading expenses	367,222	**367,222**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Research and development	477,492	75,239	**552,731**	*702,277*
Knowledge transfer	228,725	35,822	**264,547**	*246,549*
	706,217	111,061	**817,278**	*948,826*
Total 2020	*683,700*	*265,126*	*948,826*	

11. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	*Total funds 2020 £*
Research and development	388,390	164,341	**552,731**	*702,276*
Knowledge transfer	200,813	63,734	**264,547**	*246,549*
	589,203	228,075	**817,278**	*948,825*
Total 2020	*720,470*	*228,355*	*948,825*	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

11. Analysis of expenditure by activities (continued)

Analysis of support costs

	Research and development 2021 £	Knowledge transfer 2021 £	Total funds 2021 £	*Total funds 2020 £*
Staff costs	103,704	40,218	**143,922**	*142,130*
Depreciation	2,881	1,117	**3,998**	*8,409*
Travel & subsistence costs	431	167	**598**	*345*
Other staff costs	1,071	415	**1,486**	*5,229*
Repairs & maintenance	2,860	1,109	**3,969**	*4,286*
Stationery, advertising, postage & equipment hire	10,514	4,077	**14,591**	*14,729*
Office running costs	36,809	14,277	**51,086**	*44,882*
Governance costs	6,071	2,354	**8,425**	*6,660*
Professional fees	-	-	**-**	*1,685*
	164,341	63,734	**228,075**	*228,355*
Total 2020	*169,021*	*59,334*	*228,355*	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

. Analysis of direct costs

	Research and development 2021 £	Knowledge transfer 2021 £	Total funds 2021 £	*Total funds 2020 £*
Staff costs	238,181	103,196	**341,377**	*327,662*
Depreciation	40,366	15,655	**56,021**	*69,283*
Project costs	75,239	35,822	**111,061**	*265,125*
Other staff costs	7,112	2,870	**9,982**	*3,096*
Office running costs	936	936	**1,872**	*1,834*
Stationery, advertising, postage & equipment hire	2,699	12,489	**15,188**	*13,473*
Travel & subsistence	19,666	28,218	**47,884**	*39,994*
Professional fees	4,190	1,625	**5,815**	-
	388,389	200,811	**589,200**	*720,467*
Total 2020	*541,811*	*178,656*	*720,467*	

12. Auditors' remuneration

	2021 £	*2020 £*
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**6,975**	*6,000*
Fees payable to the Company's auditor in respect of:		
All non-audit services not included above	**-**	*660*

13. Staff costs

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Wages and salaries	**391,891**	*394,793*	**391,891**	*394,793*
Social security costs	**55,973**	*45,568*	**55,973**	*45,568*
Contribution to defined contribution pension schemes	**37,435**	*29,432*	**37,435**	*29,432*
	485,299	*469,793*	**485,299**	*469,793*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Staff costs (continued)

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

	Group 2021 No.	*Group 2020 No.*	Company 2021 No.	*Company 2020 No.*
Management and administration	**3**	*3*	**3**	*3*
Direct charitable	**13**	*16*	**13**	*16*
	16	*19*	**16**	*19*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	*Group 2020 No.*
In the band £80,001 - £90,000	**1**	*1*

The Key Management Personnel of the Group are the Trustees and the Senior Managers, being the CEO, the Finance Manager and the Principal Technical Officers. The Trustees are not remunerated.

The total of employer benefits, including employers social security contributions, received by Key Management Personnel of the Group was £246,657 (2020: £348,625).

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2020 - £NIL)*.

During the year ended 31 December 2021, no Trustee expenses have been incurred *(2020 - £NIL)*.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15. Tangible fixed assets

Group

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Office and computer equipment £	Site development £	Total £
Cost or valuation						
At 1 January 2021	**284,472**	**400,341**	**32,490**	**133,343**	**260,668**	**1,111,314**
Additions	**-**	**8,924**	**-**	**-**	**41,686**	**50,610**
At 31 December 2021	**284,472**	**409,265**	**32,490**	**133,343**	**302,354**	**1,161,924**
Depreciation						
At 1 January 2021	**115,654**	**291,473**	**30,834**	**130,503**	**187,189**	**755,653**
Charge for the year	**2,766**	**37,224**	**1,656**	**1,232**	**17,141**	**60,019**
At 31 December 2021	**118,420**	**328,697**	**32,490**	**131,735**	**204,330**	**815,672**
Net book value						
At 31 December 2021	**166,052**	**80,568**	**-**	**1,608**	**98,024**	**346,252**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15. Tangible fixed assets (continued)

Company

	Freehold property £	Plant and machinery £	Motor vehicles £	Office equipment £	Other fixed assets £	Total £
Cost or valuation						
At 1 January 2021	**284,472**	**400,341**	**32,490**	**133,343**	**260,668**	**1,111,314**
Additions	**-**	**8,924**	**-**	**-**	**41,686**	**50,610**
At 31 December 2021	**284,472**	**409,265**	**32,490**	**133,343**	**302,354**	**1,161,924**
Depreciation						
At 1 January 2021	**115,654**	**291,473**	**30,834**	**130,503**	**187,189**	**755,653**
Charge for the year	**2,766**	**37,224**	**1,656**	**1,232**	**17,141**	**60,019**
At 31 December 2021	**118,420**	**328,697**	**32,490**	**131,735**	**204,330**	**815,672**
Net book value						
At 31 December 2021	**166,052**	**80,568**	**-**	**1,608**	**98,024**	**346,252**

The tangible fixed assets are held for the direct furtherance of the Charity's objectives.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

16. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 January 2021	**1,099,105**
Additions	**150,000**
Disposals	**(3,353)**
Revaluations	**134,814**
At 31 December 2021	**1,380,566**
Net book value	
At 31 December 2021	**1,380,566**
At 31 December 2020	*1,099,105*

Investments at fair value comprise funds indirectly held by fund managers M&G Investments and Telford Mann Investments. All investments in listed securities are held in UK common investment funds and are included within unrestricted funds. Investments are revalued to recognise their fair value at each balance sheet date.

Company	Listed investments £
Cost or valuation	
At 1 January 2021	**1,099,105**
Additions	**150,000**
Disposals	**(3,353)**
Revaluations	**134,814**
At 31 December 2021	**1,380,566**
Net book value	
At 31 December 2021	**1,380,566**
At 31 December 2020	*1,099,105*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

17. Debtors

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Due within one year				
Trade debtors	**343,018**	*271,815*	**292,600**	*395,687*
Amounts owed by group undertakings	**-**	*-*	**191,455**	*267,435*
Other debtors	**224,941**	*159,668*	**139,830**	*111,302*
Prepayments and accrued income	**1,725**	*1,519*	**-**	*-*
	569,684	*433,002*	**623,885**	*774,424*

18. Creditors: Amounts falling due within one year

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Trade creditors	**45,995**	*34,785*	**45,995**	*33,044*
Amounts owed to group undertakings	**-**	*-*	**64,306**	*9,831*
Other taxation and social security	**78,618**	*79,810*	**102,939**	*95,756*
Accruals and deferred income	**132,750**	*156,458*	**121,845**	*152,759*
	257,363	*271,053*	**335,085**	*291,390*

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Deferred income at 1 January 2021	**35,491**	*25,852*	**35,491**	*25,852*
Resources deferred during the year	**18,737**	*35,491*	**18,737**	*35,491*
Amounts released from previous periods	**(35,491)**	*(25,852)*	**(35,491)**	*(25,852)*
	18,737	*35,491*	**18,737**	*35,491*

Deferred income comprises income in relation to future period associate fees (subscriptions) and project work.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

19. Financial instruments

	Group 2021 £	*Group 2020 £*	**Company 2021 £**	*Company 2020 £*
Financial assets				
Financial assets measured at fair value through income and expenditure	**550,032**	*697,201*	**488,649**	*376,115*

Financial assets measured at fair value through income and expenditure comprise cash held at bank and in hand.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

20. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds						
Designated funds						
Fixed asset fund	**355,663**	**-**	**-**	**41,686**	**-**	**397,349**
General funds						
General funds	**1,840,338**	**761,863**	**(706,217)**	**43,108**	**-**	**1,939,092**
Trading subsidiary	**-**	**452,126**	**(367,222)**	**(84,904)**	**-**	**-**
Revaluation reserve	**117,914**	**-**	**-**	**-**	**134,814**	**252,728**
	1,958,252	**1,213,989**	**(1,073,439)**	**(41,796)**	**134,814**	**2,191,820**
Total Unrestricted funds	**2,313,915**	**1,213,989**	**(1,073,439)**	**(110)**	**134,814**	**2,589,169**
Restricted funds						
Restricted Funds	**-**	**110,951**	**(111,061)**	**110**	**-**	**-**
Total of funds	**2,313,915**	**1,324,940**	**(1,184,500)**	**-**	**134,814**	**2,589,169**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2020 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 December 2020* £
Unrestricted funds						
Designated funds						
Fixed asset fund	*394,435*	*-*	*(77,692)*	*38,920*	*-*	*355,663*
General funds						
General funds	*1,871,979*	*608,122*	*(736,232)*	*96,469*	*-*	*1,840,338*
Trading subsidiary	*-*	*457,356*	*(320,960)*	*(136,396)*	*-*	*-*
Revaluation reserve	*275,186*	*-*	*-*	*-*	*(157,272)*	*117,914*
	2,147,165	*1,065,478*	*(1,057,192)*	*(39,927)*	*(157,272)*	*1,958,252*
Total Unrestricted funds	*2,541,600*	*-*	*(1,134,884)*	*(1,007)*	*(157,272)*	*2,313,915*
Restricted funds						
Restricted Funds	*-*	*133,894*	*(134,901)*	*1,007*	*-*	*-*
Total of funds	*2,541,600*	*133,894*	*(1,269,785)*	*-*	*(157,272)*	*2,313,915*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

20. Statement of funds (continued)

Purposes of designated funds

Fixed assets fund - This represents the value of general funds invested in land and buildings and other fixed assets and is therefore not readily available for other purposes.

Purposes of general funds

General funds - The 'free reserves' after all other designations and restrictions. The transfer to the fixed asset fund of £41,686 (2020: £38,920) represents the net of fixed asset additions and disposals in the year.

Trading subsidiary - Reserves in relation to the performance of the trading subsidiary PGRO Research Limited. The transfer of £84,904 (2020: £136,396) to the general fund from this fund represents the gift aid of the profits from the trading subsidiary to the Charity.

Revaluation reserve - Being the difference between the historic cost value and the year end fair value of listed securities investments are per note 14.

Purposes of restricted funds

Restricted funds - These relate solely to grant income and related expenditure to match grant funded projects as required under the terms of the grant offer letters, and is therefore not readily available for other purposes.

Colin Leakey bursary fund - Undertaking ongoing research of Phaseolus beans.

Transfers from unrestricted funds to restricted funds represent unrestricted funds utilised on restrictted projects of the Charity.

21. Summary of funds

Summary of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Designated funds	**355,663**	**-**	**-**	**41,686**	**-**	**397,349**
General funds	**1,958,252**	**1,213,989**	**(1,073,439)**	**(41,796)**	**134,814**	**2,191,820**
Restricted funds	**-**	**110,951**	**(111,061)**	**110**	**-**	**-**
	2,313,915	**1,324,940**	**(1,184,500)**	**-**	**134,814**	**2,589,169**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

21. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 January 2020 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 31 December 2020 £*
Designated funds	*394,435*	*-*	*(77,692)*	*38,920*	*-*	*355,663*
General funds	*2,147,165*	*1,065,478*	*(1,057,192)*	*(39,927)*	*(157,272)*	*1,958,252*
Restricted funds	*-*	*133,894*	*(134,901)*	*1,007*	*-*	*-*
	2,541,600	*1,199,372*	*(1,269,785)*	*-*	*(157,272)*	*2,313,915*

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	**Total funds 2021 £**
Tangible fixed assets	346,251	**346,251**
Fixed asset investments	1,380,566	**1,380,566**
Current assets	1,119,715	**1,119,715**
Creditors due within one year	(257,363)	**(257,363)**
Total	2,589,169	**2,589,169**

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	*Total funds 2020 £*
Tangible fixed assets	*355,662*	*355,662*
Fixed asset investments	*1,099,104*	*1,099,104*
Current assets	*1,130,204*	*1,130,204*
Creditors due within one year	*(271,055)*	*(271,055)*
Total	*2,313,915*	*2,313,915*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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

	Group 2021 £	*Group 2020 £*
Net income/expenditure for the year (as per Statement of Financial Activities)	**275,254**	*(227,685)*
Adjustments for:		
Depreciation charges	**60,020**	*77,694*
Gains/(losses) on investments	**(134,814)**	*157,272*
Income from investments	**(45,475)**	*(51,637)*
Increase in debtors	**(136,684)**	*(44,909)*
Increase/(decrease) in creditors	**(13,690)**	*9,303*
Net cash provided by/(used in) operating activities	**4,611**	*(79,962)*

24. Analysis of cash and cash equivalents

	Group 2021 £	*Group 2020 £*
Cash in hand	**550,034**	*697,202*
Total cash and cash equivalents	**550,034**	*697,202*

25. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	**697,201**	**(147,169)**	**550,032**
	697,201	**(147,169)**	**550,032**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

26. Capital commitments

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	**22,000**	*5,438*	**22,000**	*5,438*

27. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The pension cost charge represents contributions payable by the Charity to the fund and amounted to £40,695 (2020: £44,386).

At the year end, pension contributions payable of £6,301 were included within taxation & social security (2020: £Nil).

28. Operating lease commitments

At 31 December 2021 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	*Group 2020 £*	Company 2021 £	*Company 2020 £*
Not later than 1 year	**26,731**	*34,417*	**26,731**	*34,417*
Later than 1 year and not later than 5 years	**14,040**	*29,295*	**14,040**	*29,295*
	40,771	*63,712*	**40,771**	*63,712*

29. Related party transactions

The Charity has taken advantage of the exemption contained in FRS 102 section 33.1 Related Party Disclosures and has therefore not disclosed transactions or balances with wholly owned entities which form part of the group.

Fen Peas Limited - a company under common control of Stephen Francis

During the year, PGRO invoiced Fen Peas Limited £10,385 (2020: £5,630). The amount outstanding from Fen Peas Limited at the balance sheet date was £Nil (2020: £Nil).

Other than Key Management Personnel remuneration disclosed in Note 13, there were no further related party transactions during 2021 or 2020.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

30. Controlling party

The Trustees do not consider that there is any single controlling party.

PROCESSORS AND GROWERS RESEARCH ORGANISATION

England & Wales - Charity number 284077

Accounts

Company Registration number: 00567232
Charity Registration number: 284077

PROCESSORS & GROWERS RESEARCH ORGANISATION

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

PROCESSORS & GROWERS RESEARCH ORGANISATION
(A Company Limited by Guarantee)

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PROCESSORS & GROWERS RESEARCH ORGANISATION
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees	S W Bumstead[1] S J Francis, Chairman[1] S P Marx (resigned 8 September 2020)[1] A Bury J P Fenton (resigned 8 September 2020)[1] C S Stowe, Vice Chairman[1] T J Yewbrey C G Renner[1] F G Smith (resigned 8 September 2020) J M Hopwood D J Sedgeley S J Portas J R S Ward Professor D L Sparkes L J Cottey J A Maguire (appointed 8 September 2020) [1] Denotes member of the Management and Finance Committtee
Company registered number	00567232
Charity registered number	284077
Registered office	The Research Station Great North Road Thornhaugh Peterborough PE8 6HJ
Company secretary	Mr R G Vickers
Chief executive officer	Mr R G Vickers
Independent auditors	MHA MacIntyre Hudson Chartered Accountants Statutory Auditor 1 The Forum Minerva Business Park Lynch Wood Peterborough PE2 6FT

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Bankers	Lloyds Bank Plc 65 High Street Stamford Lincolnshire PE9 2AT Clydesdale Bank Plc 10 Church Street Peterborough PE8 6HJ
Solicitors	Greenwoods Monkstone House City Road Peterborough PE1 1JE
Investment advisor	M&G Securities Limited PO Box 6108 Basildon SS15 5NA
Investment advisor	Telford Mann Limited Oakley House Headway Business Park 3 Saxon Way West Corby NN18 9EZ

TRUSTEES' REPORT (Incorporating the Strategic Report) FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees, who are also Directors for the purpose of company law, have pleasure in presenting their annual report together with the audited financial statements of the Charity and its subsidiary for the year ended 31 December 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisation and Governance

Processors and Growers Research Organisation (informally known as PGRO and referred to as such hereafter), is incorporated in England and Wales and is a company limited by guarantee (registered number 00567232) and is a registered charity (number 00284077). It is governed by its Memorandum and Articles of Association.

Members and Board of Trustees

The Board of Trustees comprises the Chair and up to fourteen additional Trustee Directors. The Trustees are also the members of the organisation. The following Trustees have served during the period:

S P Marx (resigned 8th September 2020)
S W Bumstead **$**
S J Francis (Chairman) **$**
A Bury
J P Fenton (resigned 8th September 2020)
C S Stowe **$** (Vice Chairman)
C G Renner **$**
F G Smith (resigned 8th September 2020)
D J Sedgeley
S J Portas
J R S Ward
Professor D L Sparkes
T J Yewbrey
L J Cottey
J M Hopwood
J A Maguire (appointed 8th September 2020)

$ Denotes member of the Management and Finance Committee as at 31st December 2020.

No remuneration or benefit was paid or granted to any Trustee.

Recruitment, Induction and Training of Trustees

The Trustees have regard to the UK Charity Governance Code and take governance of the Charity very seriously. New Trustees will be sourced from producers, processors and users of pulses and vegetable crops (as identified in the Articles of Association). Recommendations are made ahead of the AGM to ensure the overall balance of skills is maintained. All Trustees are required to have skillsets relevant to supporting the Charity's activities. An induction programme is in place for newly appointed Trustees which is reviewed and updated as appropriate.

All Trustees are encouraged to be familiar with the practical work of the Charity and maintain an understanding of its activities by attending the Charity's premises, events and meetings and engaging with staff.

The Trustees are mindful of the UK Charity Governance Code's recommendation that a maximum of twelve Trustees is considered good practice. Currently there are thirteen Board Members (the Memorandum and Articles of Association allow a maximum of fifteen). The Trustees consider a greater number allows for representation from all the stakeholder groups the Charity engages with. The Trustees are also aware three of the Board Members have served for more than the nine years prescribed by the Code.

Their reappointment is considered and approved providing they are still professionally active, they have indicated their willingness to continue and the impact the loss of industry experience from the Board would cause if a suitable replacement could not be sourced.

Liability Insurance

The Charity holds Directors and Officers Insurance which will indemnify the Directors against claims from third parties. It does not provide cover in the event a Trustee is proven to have acted either fraudulently or dishonestly.

Organisational Structure

The Board of Trustees is responsible for the management of PGRO's affairs in accordance with its Memorandum and Articles of Association, and meets regularly throughout the year to oversee the Charity's strategic direction and financial probity.

Additionally, the Management and Finance sub-committee (comprising the Chair, Vice-Chair, Chief Executive, Finance Manager and at least two other Board members) meets to:

- Consider strategic issues and make recommendations for full Board approval,
- Review and set remuneration of Charity staff for full Board approval,
- Receive, examine and discuss financial reports,
- Assess business progress against objectives and consider critical business risks,
- Consider health and safety issues,
- Consider capital investment and any other major expenditure for full Board approval,
- Consider all governance issues.

The Chief Executive (appointed by the Trustees) manages the day-to- day operation of the charitable company. To ensure effective operations the Chief Executive and Senior Management Team have delegated authority for all operational matters.

Related Parties

The Charity has a wholly owned subsidiary, PGRO Research Limited, which donates its profits to PGRO (Charity) via gift aid in perpetuity.

OBJECTIVES AND ACTIVITIES

Established in 1944, PGRO conducts innovative research and provides technical services on dry harvested peas, vining (freezing) peas and peas produced for canning operations and on other legumes and selected vegetables as appropriate.

The Charity's primary objectives are to:

- Provide and maintain a responsive and independent technical service to producers of legumes and other selected vegetable crops
- Provide timely, accurate and well researched information
- Advance the science of agriculture by the initiation, development and continuance of investigations and applied research
- Ensure research is undertaken that is complimentary to related studies elsewhere, whilst providing for regional environmental and agricultural practice diversity
- Collaborate in joint programmes as and when appropriate
- Promote the dissemination and extension of research findings (either alone or with other organisations whose objectives are similar to those of the Charity)

PGRO's mission is to:

- Pursue the provision of current advice for growers, the realisation of improved crop yield, quality and economics.
- Facilitate open, accessible, reliable and relevant knowledge exchange.
- Develop progressive and innovative approaches to crop research and development.
- Create and maintain extensive and close links with growers, processors, trade and fundamental research communities.

In fulfilling its mission, PGRO works closely with organisations which are part of the production and/or usage chain including:

- Growers
- Plant breeders
- Crop protection organisations
- Processing companies
- Pulse cleaning organisations
- Trading specialists

The Charity considers these links are important since it ensures PGRO continues to effectively support UK legume production for both home and export markets.

Charitable objectives are met through the provision of:

- Industry approved applied research and development programmes as discussed at panel meetings
- Effective education and knowledge transfer activities delivered to schools, colleges, growers, agronomists and processors
- Delivery of knowledge and services benefitting both public and commercial customers
- Sponsorship of PhDs relevant to legumes

A strong UK agricultural sector creates employment and inward UK investment. It is generally accepted global crop production must increase in order to keep pace with projected worldwide population growth. Globally, demand for food is surpassing supply, and the availability of land suitable for agricultural production will be a limiting factor. Therefore, increased agricultural productivity (i.e. producing more per hectare) is an urgent requirement. Experts believe climate change will reduce crop yields and water availability in intemperate areas, thus creating increased dependency and pressure on agricultural production in temperate regions of Europe and North America. Increased intensification needs to be sustainable in the long-term, and agricultural research works to towards providing a food supply that is secure and sustainable whilst having minimal environmental impact by producing crops which can help mitigate and adapt to climate change.

PGRO undertakes applied, industry approved research and development programmes, focusing on:

- Plant and soil-borne pests and diseases
- Soil health
- The value of legumes in crop rotations
- Improved yield and quality in legume crops
- Data analysis and provision of science-backed information
- Environmental improvement

All the above activities contribute towards the achievement of the Charity's legal objectives as identified on the previous page.

PGRO's activities provide an important interface between farming and food industries, and the Charity uses a variety of methods to ensure research results and recommendations are applied quickly and accurately via:

- Articles and publications
- Grower meetings/workshops
- Agronomy training
- PGRO website and social media
- Open days, seminars and presentations of both current and emerging issues

PGRO remains dedicated to providing scientific research that contributes to the sustainability of legume crops (and other vegetable crops as appropriate), and to improve the yield and quality thereof. The Charity has a highly skilled and well-respected workforce. Stakeholder benefits come through improvements in quality, reliability and profitability of legume crops.

Risk Assessment and Management

The Board of Trustees is responsible for ensuring there are effective and adequate risk management and internal controls systems in place to manage the major risks to which the Charity is exposed. The Risk Register (focusing on the key risk areas of governance, operational, financial, environmental and external/regulatory), identifies the risks PGRO faces, prioritises them in terms of likelihood of occurrence, their potential impact and how they can be mitigated.

The Board recognises the Risk Register is a live document and regularly review:

- The key risks the Charity may face, likelihood of materialisation, likely impact and the procedures required to minimise impact should they materialise
- Internal controls and procedures and their effectiveness to ensure the needs of the Charity are met and compliance with externally issued guidelines and statements of best practice.

With regard to Covid-19, the Charity operates according to government and local guidelines and follows best practice with regard to social distancing and hygiene, and undertook early discussions with stakeholders and employees which remains ongoing.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

With over 70 years of research experience into legumes and other selected vegetable crops, PGRO has a widely recognised reputation as being one of the few remaining UK sources of sound, independent technical advice, at a time when food production, quality and provenance faces increasing scrutiny both nationally and internationally.

Research underpins the vast majority of the work undertaken by the Charity, enabling discovery, creation, dissemination and knowledge preservation. PGRO aims to pursue the highest standards of research excellence by employing knowledgeable and dedicated staff who are well respected by the industry. Through continued development and investment, PGRO supports a culture of inquiry and initiative, and believes in research that makes a difference. The Trustees believe it is vital the Charity continues to maintain and demonstrate its independence, innovation and integrity.

PGRO's scientific activities encompass improvements in legume production such as developing higher yielding crops which are resilient to climate change, pest and disease control with which to protect the environment and the importance of soil health. PGRO has the specialist skills and knowledge to enable improved legume production, evaluation of variety and agrochemical performance and quality from field and glasshouse trials. Via PGRO's knowledge exchange programmes, the benefits of new knowledge are communicated to farmers and growers and further to the food industry reliant on productive agriculture.

PGRO aims to be at the forefront of legume crop innovation.

During 2020 PGRO continued to deliver services in accordance with its research objectives and effectively delivered existing research projects including:

- Surveillance of virus diseases in UK pea crops - AHDB funded
- Horticulture strategic centres for field vegetables - AHDB funded
- Fostering Sustainable Legume Based Farming Systems and Agrifeed and Food Chains in the EU (LEGVALUE) – part EU funded
- Transition Paths to Sustainable Legume Based Systems in Europe (TRUE) – part EU funded
- Improving productivity in pea, bean and legume growing through advanced data analytics, machine learning and AI techniques (IUK funded)
- Genetic improvement of pea to replace soyabean in diets of poultry and monogastric livestock (BBSRC funded)

The Charity, insofar as funds permitted conducted in-house research in areas such as:

- Screening the efficacy of products designed to stimulate natural plant processes
- Cover crops grown between periods of regular crop production with the aim of improving or protecting soil health, structure and nutrient capture
- Inter cropping whereby two or more crops are grown in close proximity
- Plant populations to maximise yield
- Molecular tests for pests and diseases

Education is one of PGRO's charitable objectives and is fulfilled by co-sponsoring a rolling programme of PhDs insofar as the proposals are relevant and complimentary to PGRO's overall research and development strategy.

During 2020 the programmes of work comprised:

- Management of stem and bulb nematode in field beans (Harper Adams University – 3 years).
- Understanding and mitigating pea yield decline due to foot-rot (University of Warwick – ended 2020).
- Development of novel seed treatments for grain legumes to simultaneously increase biological nitrogen fixation and induce disease resistance (University of Stirling – ended 2020).
- Strategies to optimise pollination of the UK field bean crop (University of Cambridge – 4 years).
- Knowledge transfer partnership (University of Nottingham – 3 years)
- Understanding and increased knowledge of bean seed fly biology to develop an integrated control strategy (Warwick University- 3.5 years. New 2020)

During 2020 PGRO continued to provide advice and information and undertook knowledge transfer activities. The 2020 joint PGRO/Syngenta roadshows were held online due to Covid-19, but proved as popular as ever enabling PGRO's experts to inform growers and advisers on the latest developments in pulse crop markets, agronomy and research.

Advice and information was distributed by many other sources such as online grower group meetings, articles, publications, crop bulletins and fact sheets, to name just a few.

PGRO's website continues to be an important interface with growers, breeders and the wider community, by providing valuable advice and knowledge transfer to interested parties. The website is updated regularly as well as being subject to a major bi-annual review. Other social media methods (such as Twitter) are used to interact with stakeholders.

PGRO is actively involved with AHDB's Monitor Farms (a nationwide network of farms), bringing together groups of like-minded farmers willing to share performance and best practise information in order to improve their businesses. Experts from PGRO regularly liaise (currently online due to Covid-19) with farms where pulses are grown to offer advice and undertake knowledge transfer.

PGRO is also actively involved with the Yield Enhancement Network which connects agricultural organisations and farmers from the UK, Europe and beyond focusing on closing the gap between current and potential yields in peas. This involvement will continue into 2021.

FUTURE PLANS

PGRO will continue to be principally engaged in high quality applied agricultural research. The Trustees recognise an important aspect of the Charity's work is to contribute to the competitiveness and sustainability of UK legume crop production.

The Charity will continue to respond to appropriate funding calls as they pertain to applied crop research, but the Trustees are mindful that publicly available funding has reduced in recent years, whilst the grant application process is more competitive than ever. The Trustees are pleased that following the UK's exit from the EU, the Charity can still apply for EU funding. Thus, PGRO will continue to be available for collaborative research with EU organisations. The Trustees are confident the Charity will continue to identify and apply for all appropriate grants by submitting innovative ideas which emphasise the importance of efficient crop production through the most appropriate technology.

Commitments to collaborations with relevant industry and academic partners remain an important aspect of the Charity's work in order to achieve added value from joint working and sharing access to a wider base of skills and experience.

The Charity will, insofar as funds permit, continue to expand its co-sponsorship of relevant PhDs complimentary to the Charity's R&D strategy.

The current strategic plan (approved in 2018) covers 2019 – 2022. The key aspects therein will continue to be kept under review to ensure they are fit for purpose in the light of identified emerging risks to the Charity and to ensure PGRO remains a solvent, respected and vibrant organisation with a strong identity.

Provision of clear financial information continues to allow for effective and timely decision-making at Management and Finance Committee level, and will continue to enable this group and the Board to fully and effectively control the business. The Charity will continue its investment in capital equipment to ensure the business remains at the forefront of innovative agricultural research.

The Charity will continue to engage in knowledge transfer events and produce publications and articles relevant to the agricultural sector and wider audiences as appropriate.

The Trustees are maintaining a watching brief with regard to changes in UK agricultural policy following the UK's exit from the EU. The Basic Payment Scheme to farmers is to be progressively phased out from 2021 to 2028, and all greening measures within the Common Agricultural Policy will be scrapped. The replacement Environmental Land Management Scheme aims to encourage farmers to take steps to improve the environment, animal health and welfare, and reduce carbon emissions. At present, the impact on UK cropping systems cannot be quantified. The agricultural industry is of course well represented on PGRO's Board. Their input and advice will be greatly valued.

The declining availability of agro-chemicals will inevitably present challenges for growers and crop health in the future. PGRO sees this as an opportunity to further promote and encourage research work in its molecular laboratory. There is great potential for diagnostic and predictive research to facilitate integrated pest management strategies on farms.

PUBLIC BENEFIT

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.

PGRO's main objective is to contribute to the advancement of the science of legume and other crops as appropriate by undertaking scientific research projects. Additional benefits derived from the Charity meeting its main objective include the advancement of:

- Education/knowledge
- Environmental improvement/protection

Innovative crop science and technology are addressing pressures caused by climate change, global population growth and food security issues by increasing productivity, protecting the environment and conserving resources.

PGRO's independent and applied research into crucial legume crops translates directly into farm practise, contributing to improved quality, yields, soil health and environmentally friendly pest and disease management. PGRO seeks to advance knowledge on all aspects of growing legume crops from schools and colleges to farm advisers, growers and processors, covering aspects such as:

- Seed treatment
- Plant populations
- Crop husbandry – rotation, cultivation, fertiliser usage, drilling, plant population, control of weed pests, diseases and disorders, harvesting, drying and storage.

Therefore, benefits arise from the advancement of education and environmental protection/ improvement.

FINANCIAL REVIEW

Weather variability, trading volatility in the legume markets and the lack of availability of research grants can all cause significant swings in the Charity's income year on year. Stock Market swings can also impact significantly on the year end valuation of the Charity's investments.

The Charity suffered from all of the aforementioned during 2020, causing reserves to decrease by £227,683 (2019: £259,038 increase). The decrease in 2020 was in large part due to revaluation of the Charity's investments where a net unrealised loss £157,272 was posted.

Investment in capital equipment was undertaken as planned. The main areas were:

- Machinery and equipment £24.4k
- Improvements to facilities £14.5k

The Trustees are confident that the direction and financial management of the Charity remains robust, and continually review expenditure levels to ensure value for money is achieved.

The Trustees continue to monitor and evaluate the evolving implications on the UK agricultural industry following the UK's exit from the European Union, and to consider any impact this may have on PGRO's income streams.

Principal Funding Sources

Incoming resources for the Charity and its subsidiary for the year totalled £1.2m (2019: £1.37m), of which £0.1m related to restricted funds (2019: £0.2m).

Principal sources of income were derived from levy on legume crops traded ex-farm and research grants. The Trustees recognise the importance of diverse income streams for the financial health of the Charity and additional income came from:

- Contract trials
- Membership fees
- Conference facilities
- Technical services

All expenditure during the year was incurred in furtherance of the Charity's objectives. There are currently no significant future factors which the Trustees consider will affect financial performance.

Covid-19: The Charity's activities meant it was exempt from full closure and travel restrictions allowing the majority of operations to continue throughout 2020. As previously mentioned, discussions with stakeholders were initiated at an early stage and continued throughout the year. Work on a small number of projects was curtailed and hence funding was deferred to 2021. The conference centre facilities closed to external bookings early in 2020, resulting in a loss of income. The Trustees estimate lost income from all sources amounted to approximately £34k.

Stock market turbulence during 2020 has caused the Charity's investments to fall in value and hence the value of its reserves. Regular updates from the Fund Managers allow the Charity to monitor the situation closely.

By considering expected future income versus future financial obligations, the Trustees have a reasonable expectation that PGRO has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual reports and accounts.

Investment Policy

The investment policy adopted by the Board in 2015 is due for review in 2021 and factors to be considered will include:

- The current economic climate
- Future plans
- Contingencies for the variability of levy receipts
- Availability of grant funding
- Covid-19 and stock market implications

The Charity currently holds several long-term investments from which income is used to directly contribute to the Charity's objectives. The Charity only invests in products which the Trustees deem to have due regard to social, environmental and ethical issues. The Trustees meet at least annually with representatives of the Fund Managers to review investment risk, income generation and capital growth.

Reserves Policy

The reserves policy adopted by the Board in 2015 was reviewed in 2020, the review considered factors such as:

- The nature of current activities and related income and expenditure streams
- The requirement to match variable income with any fixed expenditure commitments
- Any requirement to fulfil longer term liabilities
- Future plans including investment in fixed asset additions or replacements
- The overall business climate and the risks faced by the Charity

The Trustees regularly consider the risk to the Charity of any significant loss of income and also the risk of any unforeseen expenditure, thereby acknowledging the relationship between the risk management and reserves policies. As previously mentioned, the effect of the UK exit from the European Union on UK agriculture and related research is as yet unknown. Therefore, the Trustees deem it prudent to hold sufficient reserves to mitigate any potential negative impact on future income in order for the Charity to be able to achieve its objectives.

At 31st December 2020, unrestricted funds were £2.3m. The Trustees aim to maintain free reserves in unrestricted funds at a level equating to 6 months of unrestricted charitable expenditure in so far as these funds are not committed to or invested in tangible fixed assets. The Trustees consider this level will provide sufficient funds to:

- Apply for external research grants (where match funding is a frequent requirement)
- Participate in external research where in-kind contributions are required
- Consider further sponsorship of PhDs with universities
- Further develop laboratory and molecular facilities
- Ensure the Charity's activities are maintained by undertaking industry approved research and development where external funding cannot be obtained
- Ensure seasonal variations of cash inflows due to inherent uncertainty in levy receipts are mitigated
- Replace and extend capital assets as necessary
- Fulfil long term liabilities
- Allow for medium to long term planning

At 31st December 2020 the Group had total reserves of £2.3m (£0.4m in fixed assets and £1.9m in investments and net working capital).

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.

This report was approved and authorised for issue by the Trustees on 15th June 2021 and signed on its behalf by:

.....

S J Francis
Chairman

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees (who are also the Directors of the Charity 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 year. 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:

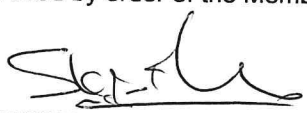
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the Members of the Board of Trustees and signed on its behalf by:



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S J Francis
Chairman
Date: 15/6/21

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROCESSORS & GROWERS RESEARCH ORGANISATION

Opinion

We have audited the Trustees' report of Processors & Growers Research Organisation (the 'Charity') 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 Trustees' report:

- 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 Charities Act 2011.

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 Trustees' report section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the Trustees' report 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

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 Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROCESSORS & GROWERS RESEARCH ORGANISATION (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the Trustees' report and our Auditors' Report thereon. Our opinion on the Trustees' report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Trustees' report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Trustees' report 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 Trustees' report 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statement is inconsistent in any material respect with the Trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 Trustees' report that are free from material misstatement, whether due to fraud or error.

In preparing the Trustees' report, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROCESSORS & GROWERS RESEARCH ORGANISATION (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the Trustees' report 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 Trustees' report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management 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 bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

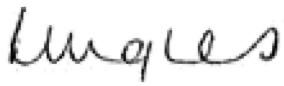
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed 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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROCESSORS & GROWERS RESEARCH ORGANISATION (CONTINUED)

Use of our report

This report is made solely to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's Trustees 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.



Rebecca Hughes BSc (Hons) FCCA (Senior statutory Auditor)
MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditor
1 The Forum
Minerva Business Park
Lynch Wood
Peterborough
PE2 6FT

Date: 30 June 2021

MHA MacIntyre Hudson are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Income from:					
Charitable activities	4,5	**553,370**	**133,894**	**687,264**	*792,581*
Other trading activities	6	**457,356**	**-**	**457,356**	*518,875*
Investments	7	**51,637**	**-**	**51,637**	*58,809*
Other income	8	**3,118**	**-**	**3,118**	*2,103*
Total income		**1,065,481**	**133,894**	**1,199,375**	*1,372,368*
Expenditure on:					
Raising funds	6	**320,960**	**-**	**320,960**	*371,722*
Charitable activities	9,10	**813,925**	**134,901**	**948,826**	*903,284*
Total expenditure		**1,134,885**	**134,901**	**1,269,786**	*1,275,006*
Net (losses)/gains on investments	15	**(157,272)**	**-**	**(157,272)**	*161,676*
Net (expenditure)/income		**(226,676)**	**(1,007)**	**(227,683)**	*259,038*
Transfers between funds	18	**(1,007)**	**1,007**	**-**	*-*
Net movement in funds		**(227,683)**	**-**	**(227,683)**	*259,038*
Reconciliation of funds:					
Total funds brought forward		**2,541,598**	**-**	**2,541,598**	*2,282,560*
Net movement in funds		**(227,683)**	**-**	**(227,683)**	*259,038*
Total funds carried forward		**2,313,915**	**-**	**2,313,915**	*2,541,598*

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

All income and expenditure derive from continuing activities.

The notes on pages 22 to 48 form part of these financial statements.

PROCESSORS & GROWERS RESEARCH ORGANISATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00567232

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	14		**355,663**		*394,435*
Investments	15		**1,099,105**		*1,256,377*
			1,454,768		*1,650,812*
Current assets					
Debtors	16	**433,000**		*388,091*	
Cash at bank and in hand	21	**697,202**		*764,447*	
		1,130,202		*1,152,538*	
Creditors: amounts falling due within one year	17	**(271,055)**		*(261,752)*	
Net current assets			**859,147**		*890,786*
Total net assets			**2,313,915**		*2,541,598*
Charity funds					
Unrestricted funds	18		**2,313,915**		*2,541,598*
Total funds			**2,313,915**		*2,541,598*

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The Members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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 have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....

S J Francis
Chairman
Date: 15/6/21

The notes on pages 22 to 48 form part of these financial statements.

PROCESSORS & GROWERS RESEARCH ORGANISATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00567232

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	14		**355,663**		*394,435*
Investments	15		**1,099,106**		*1,256,378*
			1,454,769		*1,650,813*
Current assets					
Debtors	16	**774,422**		*845,428*	
Cash at bank and in hand		**376,116**		*348,812*	
		1,150,538		*1,194,240*	
Creditors: amounts falling due within one year	17	**(291,392)**		*(303,455)*	
Net current assets			**859,146**		*890,785*
Total net assets			**2,313,915**		*2,541,598*
Charity funds					
Unrestricted funds			**2,313,915**		*2,541,598*
Total funds			**2,313,915**		*2,541,598*

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The Members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....

S J Francis
Chairman
Date: 15/6/21

The notes on pages 22 to 48 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	20	**(79,962)**	*100,584*
Cash flows from investing activities			
Investment income	7	**51,637**	*58,809*
Proceeds from the sale of tangible fixed assets		**-**	*2,001*
Purchase of tangible fixed assets	14	**(38,920)**	*(56,455)*
Net cash provided by investing activities		**12,717**	**4,355**
Change in cash and cash equivalents in the year		**(67,245)**	**104,939**
Cash and cash equivalents at the beginning of the year		**764,447**	*659,508*
Cash and cash equivalents at the end of the year	21	**697,202**	*764,447*

The notes on pages 22 to 48 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

The Charity is a company limited by guarantee and is registered with the Charity Commission (Charity Registered Number 284077) and Registrar of Companies (Company Registration Number 00567232) in England and Wales.

The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activity is the provision of scientific research in relation to legume crops.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £2 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Processors & Growers Research Organisation 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 financial statements are presented in pound sterling which is the functional currency of the Group and are rounded to the nearest pound.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity 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.

The income and expenditure account for the year dealt with in the accounts of the Charity was a deficit of £227,683 (2019 - surplus of £259,038).

2. Accounting policies (continued)

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the Trustees Report and accounts.

2.3 Turnover

Turnover comprises revenue recognised by the Group in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

2.4 Income

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

Membership fees are recognised when the Group has entitlement to the income.

Rent and meeting income is recognised when receivable.

Levy income is recognised when receivable, with the level of charges reviewed annually by reference to work done.

Research and technical income, technical services and publications income is recognised by reference to work done.

Revenue grants are credited as income when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred.

Specifically with regards to EU True Project and EU Leg Value grant income, such income is recognised in line with related expenditure as per the terms of the grants.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of donation.

Investment income is recognised when received and comprises interest on fixed interest securities and bank deposits.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2. Accounting policies (continued)

2.5 Expenditure

All expenditure is accounted for on an accruals basis. 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Support costs have been allocated to each activity on the following basis, based on an estimate of staff time spent on each activity:

	2020	2019
Research and development	70.27%	71.63%
Knowledge transfer	29.73%	28.37%

Governance costs are costs incurred in connection with the administration of the Group and compliance with constitutional and statutory requirements.

Costs of raising funds comprise the costs of trading of the wholly owned subsidiary, PGRO Research Limited.

Research and development expenditure is recognised as an expense in the period in which it is incurred.

All expenditure is inclusive of irrecoverable VAT.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Levy funded research

The external cost of levy funded pulses research programmes is recognised in the Consolidated Statement of Financial Activities in the year that the research is undertaken.

2.8 Taxation

The Charity is exempt from corporation tax as all of its income is charitable and is applied for charitable purposes. The trading subsidiary, PGRO Research Limited, gift aids all taxable profits to the Charity under a deed of covenant.

2. Accounting policies (continued)

2.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Consolidated Statement of Financial Activities.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	- Over the life of the lease
Plant and machinery	- 15% on cost
Motor vehicles	- 20% on cost
Office equipment	- 15% on cost
Computer equipment	- 30% on cost
Site development	- 10% on cost

2.10 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 'Net gains/(losses) on investments' in the Consolidated Statement of Financial Activities.

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

2.11 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.

2.12 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. Accounting policies (continued)

2.13 Liabilities and provisions

Liabilities 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.

2.14 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.

2.15 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

2.16 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.

2.17 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 judgement

Estimates 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.

Critical accounting estimates and assumptions:

The Group 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.

- Expected life of tangible fixed assets
- Support cost allocation.

The Trustees consider that the expected useful lives of tangible fixed assets and support cost allocations are appropriate.

4. Analysis of income from charitable activities - by fund

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Research and development	409,727	99,138	**508,865**
Knowledge transfer	143,643	34,756	**178,399**
Total 2020	553,370	133,894	**687,264**

	Unrestricted funds 2019 £	*Restricted funds 2019 £*	*Total funds 2019 £*
Research and development	*415,026*	*182,562*	*597,588*
Knowledge transfer	*135,423*	*59,570*	*194,993*
Total 2019	*550,449*	*242,132*	*792,581*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

5. Analysis of income from charitable activities - by type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Membership and levy fees	539,502	-	**539,502**
Grants receivable	-	133,894	**133,894**
Research and technical income	3,763	-	**3,763**
Technical services and publications	10,105	-	**10,105**
Total 2020	553,370	133,894	**687,264**

	Unrestricted funds 2019 £	*Restricted funds 2019 £*	*Total funds 2019 £*
Membership and levy fees	*538,578*	-	*538,578*
Grants receivable	-	*242,132*	*242,132*
Research and technical income	*2,221*	-	*2,221*
Technical services and publications	*9,650*	-	*9,650*
Total 2019	*550,449*	*242,132*	*792,581*

6. Trading activities

	2020 £	2019 £
Charity trading income		
Trading subsidiary	**457,356**	*518,875*
	457,356	*518,875*
Charity trading expenditure		
Trading subsidiary - Direct costs	**(277,410)**	*(315,364)*
Trading subsidiary - Support costs	**(43,550)**	*(56,358)*
	(320,960)	*(371,722)*
Net income from trading activities	**136,396**	*147,153*

The wholly owned trading subsidiary, PGRO Research Limited, is incorporated in England and Wales (Company Registration Number 07583822) and pays all of its profits to the Charity under the gift aid scheme. PGRO Research Limited undertakes the trading activities of its charitable company parent, Processors & Growers Research Organisation. A summary of the financial performance of the subsidiary in isolation is above.

In 2020 and 2019, all income and expenditure from trading activities was to / from unrestricted funds.

The transfer under gift aid of the trading profits of PGRO Research Limited as a distribution to the Charity was £136,396 (2019 - £147,153).

7. Income from investments

	Unrestricted funds 2020 £	Total funds 2020 £
M&G investments and Telford Mann investment income	51,445	**51,445**
Bank interest receivable	192	**192**
Total 2020	51,637	**51,637**

	Unrestricted funds 2019 £	*Total funds 2019 £*
M&G investments and Telford Mann investment income	*58,669*	*58,669*
Bank interest receivable	*140*	*140*
Total 2019	*58,809*	*58,809*

8. Other income

	Unrestricted funds 2020 £	Total funds 2020 £
Other income	3,118	**3,118**

	Unrestricted funds 2019 £	*Total funds 2019 £*
Other income	*2,103*	*2,103*

9. Analysis of expenditure on charitable activities - by fund

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Research and development	567,376	134,901	**702,277**
Knowledge transfer	246,549	-	**246,549**
Total 2020	813,925	134,901	**948,826**

	Unrestricted funds 2019 £	*Restricted funds 2019 £*	*Total funds 2019 £*
Research and development	*429,341*	*251,482*	*680,823*
Knowledge transfer	*222,461*	-	*222,461*
Total 2019	*651,802*	*251,482*	*903,284*

10. Analysis of expenditure on charitable activities - by type

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Research and development	541,811	160,466	**702,277**
Knowledge transfer	178,656	67,893	**246,549**
Total 2020	720,467	228,359	**948,826**

	Activities undertaken directly 2019 £	*Support costs 2019 £*	*Total funds 2019 £*
Research and development	*541,662*	*139,161*	*680,823*
Knowledge transfer	*167,354*	*55,107*	*222,461*
Total 2019	*709,016*	*194,268*	*903,284*

10. Analysis of expenditure on charitable activities - by type (continued)

Analysis of direct costs

	Research and development 2020 £	Knowledge transfer 2020 £	Total funds 2020 £
Staff costs	230,247	97,415	**327,662**
Depreciation	55,795	13,488	**69,283**
Project costs	233,707	31,418	**265,125**
Other staff costs	2,175	921	**3,096**
Office running costs	917	917	**1,834**
Stationery, advertising, postage and equipment hire	-	13,473	**13,473**
Travel and subsistence	18,970	21,024	**39,994**
Total 2020	541,811	178,656	**720,467**

	Research and development 2019 £	*Knowledge transfer 2019 £*	*Total funds 2019 £*
Staff costs	*227,216*	*89,974*	*317,190*
Depreciation	*51,829*	*13,150*	*64,979*
Project costs	*242,817*	*32,147*	*274,964*
Other staff costs	*2,007*	*794*	*2,801*
Office running costs	*856*	*856*	*1,712*
Stationery, advertising, postage and equipment hire	-	*8,141*	*8,141*
Travel and subsistence	*16,937*	*22,292*	*39,229*
Total 2019	*541,662*	*167,354*	*709,016*

10. Analysis of expenditure on charitable activities - by type (continued)

Analysis of support costs

	Research and development 2020 £	Knowledge transfer 2020 £	Total funds 2020 £
Staff costs	99,876	42,257	**142,133**
Depreciation	5,909	2,500	**8,409**
Other staff costs	3,675	1,555	**5,230**
Office running costs	31,540	13,344	**44,884**
Stationery, advertising, postage and equipment hire	10,348	4,379	**14,727**
Repairs and maintenance	3,013	1,274	**4,287**
Travel and subsistence	242	103	**345**
Professional fees	1,183	501	**1,684**
Governance costs	4,680	1,980	**6,660**
Total 2020	160,466	67,893	**228,359**

	Research and development 2019 £	*Knowledge transfer 2019 £*	*Total funds 2019 £*
Staff costs	*77,520*	*30,697*	*108,217*
Depreciation	*8,135*	*3,221*	*11,356*
Other staff costs	*3,807*	*1,508*	*5,315*
Office running costs	*30,765*	*12,183*	*42,948*
Stationery, advertising, postage and equipment hire	*7,361*	*2,915*	*10,276*
Repairs and maintenance	*5,903*	*2,337*	*8,240*
Travel and subsistence	*460*	*182*	*642*
Professional fees	*1,179*	*467*	*1,646*
Profit on disposal of fixed assets	*(396)*	*(156)*	*(552)*
Governance costs	*4,427*	*1,753*	*6,180*
Total 2019	*139,161*	*55,107*	*194,268*

11. Auditor's remuneration

	2020 £	2019 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts and its subsidiaries	**6,000**	*7,000*
Fees payable to the Charity's auditor in respect of:		
All non-audit services not included above	**660**	*1,840*

12. Staff costs

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Wages and salaries	**554,014**	*495,367*	**361,229**	*316,984*
Social security costs	**64,181**	*55,816*	**64,181**	*62,813*
Pension costs	**44,385**	*40,228*	**44,386**	*45,610*
	662,580	*591,411*	**469,796**	*425,407*

Further staff costs are included within cost of sales of the trading subsidiary PGRO Research Limited which totalled £35,339 (2019 - £81,581), which are present within the overall £320,960 (2019 - £371,722) Charity trading expenditure per Note 6. These are not included above as the table only summarises the administration expenses element of staff costs of the subsidiary. Total staff costs of the Group therefore totalled £697,920 (2019 - £672,992).

Total staff costs included in the trading subsidiary PGRO Research Limited for the year totalled £228,124 (2019 - £247,585).

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

	Group 2020 No.	Group 2019 No.
Management and administration	**3**	*3*
Direct charitable	**16**	*18*
	19	*21*

12. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2020 No.	*Group 2019 No.*
In the band £70,001 - £80,000	-	*1*
In the band £80,001 - £90,000	1	-

The Key Management Personnel of the Group are the Trustees and the six Senior Managers, being the CEO, the Finance Manager and the four Principal Technical Officers. The Trustees are not remunerated.

The total of employer benefits, including employers social security contributions, received by Key Management Personnel of the Group was £348,625 (2019 - £333,452).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2019 - £NIL)*.

During the year ended 31 December 2020, no Trustee expenses have been incurred *(2019 - £NIL)*.

14. Tangible fixed assets

Group and Charity

	Long-term leasehold property £	Plant and machinery £	Motor vehicles £	Office and computer equipment £	Site development £	Total £
Cost						
At 1 January 2020	**284,472**	**376,791**	**32,490**	**132,498**	**246,144**	**1,072,395**
Additions	**-**	**23,550**	**-**	**845**	**14,525**	**38,920**
At 31 December 2020	**284,472**	**400,341**	**32,490**	**133,343**	**260,669**	**1,111,315**
Depreciation						
At 1 January 2020	**112,886**	**249,167**	**28,136**	**124,860**	**162,911**	**677,960**
Charge for the year	**2,768**	**42,305**	**2,698**	**5,643**	**24,278**	**77,692**
At 31 December 2020	**115,654**	**291,472**	**30,834**	**130,503**	**187,189**	**755,652**
Net book value						
At 31 December 2020	**168,818**	**108,869**	**1,656**	**2,840**	**73,480**	**355,663**
At 31 December 2019	*171,586*	*127,624*	*4,354*	*7,638*	*83,233*	*394,435*

The tangible fixed assets are held for the direct furtherance of the Charity's objects.

15. Fixed asset investments

Group	Listed securities £
Fair value	
At 1 January 2020	**1,256,377**
Revaluations	**(157,272)**
At 31 December 2020	**1,099,105**

Charity	Shares in group undertakings £	Listed securities £	Total £
Cost or valuation			
At 1 January 2020	**1**	**1,256,377**	**1,256,378**
Revaluations	**-**	**(157,272)**	**(157,272)**
At 31 December 2020	**1**	**1,099,105**	**1,099,106**

Group investments at fair value comprise:

	2020 £	*2019 £*
UK common investment funds	**1,099,105**	*1,256,377*
	1,099,105	*1,256,377*

All the Group fixed asset investments are held in the UK.

The UK common investment funds are indirectly held by fund manager M&G Investments and Telford Mann Investments and are all included within unrestricted funds. Investments are re-stated at their fair value each year end.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

15. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Holding	Included in consolidation
PGRO Research Limited	07583822	Great North Road, Thornhaugh, Peterborough, PE8 6HJ	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
PGRO Research Limited	**457,356**	**(320,960)**	**136,396**	**1**

Charity investments at fair value comprise:

	2020 £	2019 £
UK common investment funds	**1,099,105**	*1,256,377*
Investment in group companies	**1**	*1*
	1,099,106	*1,256,378*

All the Charity fixed asset investments are held in the UK.

16. Debtors

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Due within one year				
Trade debtors	**271,812**	*216,603*	**395,684**	*423,405*
Amounts owed by group undertakings	**-**	*-*	**267,435**	*267,834*
Prepayments and accrued income	**161,188**	*171,488*	**111,303**	*154,189*
	433,000	*388,091*	**774,422**	*845,428*

Amounts owed by group undertakings are unsecured, are interest free and repayable on demand.

Charity trade debtors includes £175,410 (2019 - £231,041) in relation to trade debtors with the trading subsidiary.

17. Creditors: Amounts falling due within one year

	Group 2020 £	*Group 2019 £*	Charity 2020 £	*Charity 2019 £*
Trade creditors	**34,785**	*46,309*	**33,044**	*100,286*
Amounts owed to group undertakings	**-**	*-*	**9,831**	*1,584*
Other taxation and social security	**79,811**	*97,682*	**95,758**	*116,681*
Accruals and deferred income	**156,459**	*117,761*	**152,759**	*84,904*
	271,055	*261,752*	**291,392**	*303,455*

Amounts owed to group undertakings are unsecured, are interest free and repayable on demand.

Charity trade creditors includes £179 (2019 - £53,977) in relation to trade creditors with the trading subsidiary.

	Group 2020 £	*Group 2019 £*	Charity 2020 £	*Charity 2019 £*
Deferred income				
Deferred income at 1 January	**55,909**	*82,612*	**25,852**	*28,711*
Resources deferred during the year	**35,491**	*55,909*	**35,491**	*25,852*
Amounts released from previous years	**(55,909)**	*(82,612)*	**(25,852)**	*(28,711)*
Deferred income at 31 December	**35,491**	*55,909*	**35,491**	*25,852*

Deferred income comprises income relating to 2021 associate fees (subscriptions) and 2021 project work.

18. Statement of funds

Statement of funds - current year - Group

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds						
Designated funds						
Fixed asset fund	394,435	-	(77,692)	38,920	-	355,663
General funds						
General funds	1,871,977	608,125	(736,233)	96,469	-	1,840,338
Trading subsidiary	-	457,356	(320,960)	(136,396)	-	-
Revaluation reserve	275,186	-	-	-	(157,272)	117,914
	2,147,163	1,065,481	(1,057,193)	(39,927)	(157,272)	1,958,252
Total Unrestricted funds	2,541,598	1,065,481	(1,134,885)	(1,007)	(157,272)	2,313,915
Restricted funds						
Restricted funds	-	133,894	(134,901)	1,007	-	-
Total of funds	2,541,598	1,199,375	(1,269,786)	-	(157,272)	2,313,915

18. Statement of funds (continued)

Statement of funds - prior year - Group

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2019 £
Unrestricted funds						
Designated funds						
Fixed asset fund	415,764	-	(76,335)	55,006	-	394,435
General funds						
General funds	1,751,380	611,361	(575,467)	84,703	-	1,871,977
Trading subsidiary	-	518,875	(371,722)	(147,153)	-	-
Revaluation reserve	113,510	-	-	-	161,676	275,186
	1,864,890	1,130,236	(947,189)	(62,450)	161,676	2,147,163
Total Unrestricted funds	2,280,654	1,130,236	(1,023,524)	(7,444)	161,676	2,541,598
Restricted funds						
Restricted funds	-	242,132	(249,576)	7,444	-	-
Colin Leakey Bursary fund	1,906	-	(1,906)	-	-	-
	1,906	242,132	(251,482)	7,444	-	-
Total of funds	2,282,560	1,372,368	(1,275,006)	-	161,676	2,541,598

18. Statement of funds (continued)

Purposes of Designated funds

Fixed assets fund - This represents the value of general funds invested in land and buildings and other fixed assets and is therefore not readily available for other purposes.

Purposes of General funds

General funds - The 'free reserves' after all other designations and restrictions. The transfer to the fixed asset fund of £38,920 represents the net of fixed asset additions and disposals in the year.

Trading subsidiary - Reserves in relation to the performance of the trading subsidiary PGRO Research Limited. The transfer of £136,396 to the general fund from this fund represents the gift aid of the profits from the trading subsidary to the Charity.

Revaluation reserve - Being the difference between the historic cost value and the year end fair value of listed securities investments as per Note 15.

Purposes of Restricted funds

Restricted funds - These relate solely to grant income and related expenditure to match grant funded projects as required under the terms of the grant offer letters, and is therefore not readily available for other purposes.

Colin Leakey bursary fund - Undertaking ongoing research of Phaseolus beans.

Transfers from unrestricted funds to restricted funds represent unrestricted funds utilised on restricted projects of the Charity.

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	355,663	**355,663**
Fixed asset investments	1,099,105	**1,099,105**
Current assets	1,130,202	**1,130,202**
Creditors due within one year	(271,055)	**(271,055)**
Total	2,313,915	**2,313,915**

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	*Total funds 2019 £*
Tangible fixed assets	394,435	*394,435*
Fixed asset investments	1,256,377	*1,256,377*
Current assets	1,152,538	*1,152,538*
Creditors due within one year	(261,752)	*(261,752)*
Total	2,541,598	*2,541,598*

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

		Group 2020 £	*Group 2019 £*
Net income/expenditure for the period (as per Statement of Financial Activities)		**(227,683)**	*259,038*
Adjustments for:			
Depreciation charges	14	**77,692**	*76,335*
Losses/(gains) on investments	15	**157,272**	*(161,676)*
Investment income	7	**(51,637)**	*(58,809)*
Profit on the sale of fixed assets	10	**-**	*(552)*
Increase in debtors	16	**(44,909)**	*(35,035)*
Increase in creditors	17	**9,303**	*21,283*
Net cash provided by/(used in) operating activities		**(79,962)**	*100,584*

21. Analysis of cash and cash equivalents

	Group 2020 £	*Group 2019 £*
Cash in hand	**697,202**	*764,447*
Total cash and cash equivalents	**697,202**	*764,447*

22. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	**764,447**	**(67,245)**	**697,202**
	764,447	**(67,245)**	**697,202**

23. Capital commitments

	Group 2020 £	*Group 2019 £*	Charity 2020 £	*Charity 2019 £*
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	**5,438**	*23,000*	**5,438**	*23,000*

24. Pension commitments

The Group operates a defined contribution pension Scheme. The assets of the Scheme are held separately from those of the Group in an independently administered fund.

The pension cost charge represents contributions payable by the Group to the fund and amounted to £44,386 (2019 - £40,228).

At the year end there were no pension contributions payable (2019 - £NIL).

25. 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 2020 £	*Group 2019 £*	Charity 2020 £	*Charity 2019 £*
Group and Charity				
Not later than 1 year	**34,417**	*36,127*	**34,417**	*36,127*
Later than 1 year and not later than 5 years	**29,295**	*60,628*	**29,295**	*60,628*
	63,712	*96,755*	**63,712**	*96,755*

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	Group 2020 £	*Group 2019 £*	Charity 2020 £	*Charity 2019 £*
Operating lease rentals	**36,528**	*39,759*	**36,528**	*39,759*

26. Related party transactions

The Group and Charity have taken advantage of the exemption contained in FRS 102 section 33 Related Party Disclosures and has therefore not disclosed transactions or balances whith wholly owned entities which form part of its Group.

Other than Key Management Personnel remuneration disclosed in Note 12 and transactions with the trading subsidiary disclosed in Notes 6, 16 and 17, there were no related party transactions during 2020 or 2019.

27. Controlling party

The Trustees do not consider that there is any single controlling party.