

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 Shuldhham

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

<b>Registered Office</b>	Great North Road Thornhaugh Peterborough PE8 6HJ
<b>Auditor</b>	Forrester Boyd Waynflete House 139 Eastgate Louth Lincolnshire LN11 9QQ
<b>Solicitors</b>	Greenwoods Solicitors Monkstone House City Road Peterborough Cambridgeshire PE1 1JE
<b>Bankers</b>	Clydesdale Bank Plc 10 Church Street Peterborough 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 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.

# Processors and Growers Research Organisation

## Strategic Report for the Year Ended 31 December 2023

### ***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.

# Processors and Growers Research Organisation

## Strategic Report for the Year Ended 31 December 2023

### 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.

# Processors and Growers Research Organisation

## 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.

# Processors and Growers Research Organisation

## Trustees' Report

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.

# Processors and Growers Research Organisation

## Trustees' Report

### 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.

# Processors and Growers Research Organisation

## Trustees' Report

### ***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.

# Processors and Growers Research Organisation

## 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

# **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 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.

# Processors and Growers Research Organisation

## 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.

## **Processors and Growers Research Organisation**

### **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 £
<b>Income and Endowments from:</b>				
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
<b>Expenditure on:</b>				
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
<b>Reconciliation of funds</b>				
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 £
<b>Income and Endowments from:</b>				
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
<b>Expenditure on:</b>				
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
<b>Reconciliation of funds</b>				
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.

The notes on pages 20 to 37 form an integral part of these financial statements.

**Processors and Growers Research Organisation**  
**(Registration number: 00567232)**  
**Consolidated Balance Sheet as at 31 December 2023**

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

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

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 £
<b>Cash flows from operating activities</b>			
Net cash income		125,068	147,043
<b>Adjustments to cash flows from non-cash items</b>			
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)	-
		<u>109,505</u>	<u>241,113</u>
<b>Working capital adjustments</b>			
Decrease in debtors	15	93,262	384,381
Decrease in creditors	17	(85,151)	(290,362)
Net cash flows from operating activities		<u>117,616</u>	<u>335,132</u>
<b>Cash flows from investing activities</b>			
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		<u>12,590</u>	<u>200,000</u>
Net cash flows from investing activities		(181,313)	(237,763)
<b>Cash flows from financing activities</b>			
Repayment of capital element of finance leases and HP contracts		<u>(3,619)</u>	<u>10,867</u>
Net (decrease)/increase in cash and cash equivalents		(67,316)	108,236
Cash and cash equivalents at 1 January		<u>658,268</u>	<u>550,032</u>
Cash and cash equivalents at 31 December		<u><u>590,952</u></u>	<u><u>658,268</u></u>

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 £
<b>Cash flows from operating activities</b>			
Net cash income		125,068	147,043
<b>Adjustments to cash flows from non-cash items</b>			
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
<b>Working capital adjustments</b>			
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)
<b>Cash flows from investing activities</b>			
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)
<b>Cash flows from financing activities</b>			
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.

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 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.

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

### **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;

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

	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

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 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.

# **Processors and Growers Research Organisation**

## **Notes to the Financial Statements for the Year Ended 31 December 2023**

### **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.

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 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
	<u>868,411</u>	<u>95,868</u>	<u>964,279</u>	<u>966,372</u>

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
	<u>868,411</u>	<u>95,868</u>	<u>964,279</u>	<u>966,372</u>

### 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
	<u>46,839</u>	<u>46,839</u>	<u>52,612</u>

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

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 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
		<u>298,508</u>	<u>298,508</u>	<u>229,136</u>

### 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
	<u>755,598</u>	<u>257,034</u>	<u>1,012,632</u>	<u>931,962</u>

#### 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
	<u>755,882</u>	<u>256,750</u>	<u>1,012,632</u>	<u>931,962</u>

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 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
<b>Total</b>	<b>551,793</b>	<b>204,089</b>	<b>755,882</b>	<b>720,467</b>

### 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
<b>Total</b>	<b>187,428</b>	<b>69,323</b>	<b>256,750</b>	<b>180,106</b>

## 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
	<b>7,600</b>	<b>7,600</b>	<b>13,769</b>

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 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 £
<b>Staff costs during the year were:</b>		
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 senior 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
<b>Other fees to auditors</b>		
All other non-audit services	2,600	5,814

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 13 Tangible fixed assets

Group	Land and buildings £	Furniture and equipment £	Motor vehicles £	Site development £	Total £
<b>Cost</b>					
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	<u>287,333</u>	<u>733,684</u>	<u>13,490</u>	<u>405,025</u>	<u>1,439,532</u>
<b>Depreciation</b>					
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	<u>124,046</u>	<u>498,768</u>	<u>13,490</u>	<u>245,347</u>	<u>881,651</u>
<b>Net book value</b>					
At 31 December 2023	<u>163,287</u>	<u>234,916</u>	<u>-</u>	<u>159,678</u>	<u>557,881</u>
At 31 December 2022	<u>163,287</u>	<u>113,130</u>	<u>-</u>	<u>98,678</u>	<u>375,095</u>

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 £
<b>Cost</b>					
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	<u>287,333</u>	<u>733,684</u>	<u>13,490</u>	<u>405,025</u>	<u>1,439,532</u>
<b>Depreciation</b>					
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	<u>124,046</u>	<u>498,768</u>	<u>13,490</u>	<u>245,347</u>	<u>881,651</u>
<b>Net book value</b>					
At 31 December 2023	<u>163,287</u>	<u>234,916</u>	<u>-</u>	<u>159,678</u>	<u>557,881</u>
At 31 December 2022	<u>163,287</u>	<u>113,130</u>	<u>-</u>	<u>98,678</u>	<u>375,095</u>

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.

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 14 Fixed asset investments

Group	2023 £	2022 £
Other investments	<u>1,498,978</u>	<u>1,495,415</u>

### Other investments

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

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	<u>1,498,978</u>	<u>1,495,415</u>

### Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
<b>Cost</b>		
At 1 January 2023	<u>1</u>	<u>1</u>
At 31 December 2023	<u>1</u>	<u>1</u>
<b>Net book value</b>		
At 31 December 2023	<u>1</u>	<u>1</u>
At 31 December 2022	<u>1</u>	<u>1</u>

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

### Other investments

	Listed investments £	Unlisted investments £	Total £
<b>Cost or Valuation</b>			
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	<u>1,498,977</u>	<u>1</u>	<u>1,498,978</u>
<b>Net book value</b>			
At 31 December 2023	<u>1,498,977</u>	<u>1</u>	<u>1,498,978</u>
At 31 December 2022	<u>1,495,414</u>	<u>1</u>	<u>1,495,415</u>

### 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		Principal activity
			2023	2022	
<b>Subsidiary undertakings</b>					
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	<u>37,642</u>	<u>2,401</u>	<u>37,642</u>	<u>2,401</u>
	<u>457,027</u>	<u>550,289</u>	<u>997,866</u>	<u>875,918</u>

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

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 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
	<u>590,952</u>	<u>658,268</u>	<u>199,968</u>	<u>351,645</u>

### 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
	<u>239,929</u>	<u>335,606</u>	<u>389,785</u>	<u>354,613</u>

### 18 Creditors: amounts falling due after one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Hire purchase and finance leases	<u>3,629</u>	<u>7,248</u>	<u>3,629</u>	<u>7,248</u>

### 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).

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 21 Funds

Group	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2023 £
<b>Unrestricted funds</b>						
<i><b>General</b></i>						
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
	<u>2,318,613</u>	<u>1,324,187</u>	<u>(953,647)</u>	<u>(401,907)</u>	<u>16,153</u>	<u>2,303,399</u>
<i><b>Designated</b></i>						
Fixed asset fund	417,599	-	(100,459)	240,741	-	557,881
<b>Total unrestricted funds</b>	<u>2,736,212</u>	<u>1,324,187</u>	<u>(1,054,106)</u>	<u>(161,166)</u>	<u>16,153</u>	<u>2,861,280</u>
<b>Restricted funds</b>						
Restricted funds	-	95,868	(257,034)	161,166	-	-
<b>Total funds</b>	<u>2,736,212</u>	<u>1,420,055</u>	<u>(1,311,140)</u>	<u>-</u>	<u>16,153</u>	<u>2,861,280</u>
	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2022 £
<b>Unrestricted funds</b>						
<i><b>General</b></i>						
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
	<u>2,191,820</u>	<u>1,316,819</u>	<u>(972,370)</u>	<u>(129,932)</u>	<u>(87,724)</u>	<u>2,318,613</u>
<i><b>Designated</b></i>						
Fixed asset fund	397,349	-	-	20,250	-	417,599
<b>Total unrestricted funds</b>	<u>2,589,169</u>	<u>1,316,819</u>	<u>(972,370)</u>	<u>(109,682)</u>	<u>(87,724)</u>	<u>2,736,212</u>
<b>Restricted funds</b>						
Restricted funds	-	79,046	(188,728)	109,682	-	-
<b>Total funds</b>	<u>2,589,169</u>	<u>1,395,865</u>	<u>(1,161,098)</u>	<u>-</u>	<u>(87,724)</u>	<u>2,736,212</u>

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

### Charity

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2023 £
<b>Unrestricted funds</b>						
<i><b>General</b></i>						
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
	<u>2,318,613</u>	<u>1,025,679</u>	<u>(655,139)</u>	<u>(401,907)</u>	<u>16,153</u>	<u>2,303,399</u>
<i><b>Designated</b></i>						
Fixed asset fund	417,599	-	(100,459)	240,741	-	557,881
<b>Total unrestricted funds</b>	<u>2,736,212</u>	<u>1,025,679</u>	<u>(755,598)</u>	<u>(161,166)</u>	<u>16,153</u>	<u>2,861,280</u>
<b>Restricted funds</b>						
Restricted funds	-	95,868	(257,034)	161,166	-	-
<b>Total funds</b>	<u>2,736,212</u>	<u>1,121,547</u>	<u>(1,012,632)</u>	<u>-</u>	<u>16,153</u>	<u>2,861,280</u>

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

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

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	<u>2,303,399</u>	<u>557,881</u>	<u>2,861,280</u>
	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	<u>2,318,613</u>	<u>417,599</u>	<u>2,736,212</u>

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 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	<u>2,303,399</u>	<u>557,881</u>	<u>2,861,280</u>

	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	<u>2,318,613</u>	<u>417,599</u>	<u>2,736,212</u>

### 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	<u>647,401</u>	<u>(63,697)</u>	<u>583,704</u>

	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	<u>550,033</u>	<u>108,235</u>	<u>(10,867)</u>	<u>647,401</u>

#### 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	<u>340,778</u>	<u>(148,058)</u>	<u>192,720</u>

# Processors and Growers Research Organisation

## Notes to the Financial Statements for the Year Ended 31 December 2023

	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	<u>488,649</u>	<u>(137,004)</u>	<u>(10,867)</u>	<u>340,778</u>

### 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.