

Rothamsted Research Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2025

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Rothamsted Research Limited

LEGAL & ADMINISTRATIVE INFORMATION

TRUSTEES

Sir Peter Kendall (Interim Chair)
Professor Julie Gray⁺
Mr Jan Holthuis^{*^}
Professor Matt Lobley⁺
Mr Neil Scragg^{*}
Professor Sandy Thomas⁺

KEY MANAGEMENT PERSONNEL

Patrick Bailey	Interim CEO, appointed 11 March 2025
Udey Chowdhury	
Adrian Collins	
Martin Broadley	
Rose Davies	
Emma Potts	Interim COO, appointed 15 September 2025
Louise Warren (Company Secretary)	

* - Member of Finance and Audit Committee

+ - Member of the Science Advisory Group of the Board

^ - Member of the Intellectual Property and Exploitation Panel

CHARITY NUMBER: 802038

COMPANY NUMBER: 02393175, a company registered in England and Wales

REGISTERED OFFICE

Rothamsted Research Limited
Harpenden
Hertfordshire AL5 2JQ

AUDITOR

Buzzacott Audit LLP
130 Wood Street
London
EC2V 6DL

PRINCIPAL BANKERS

Barclays Bank
22-24 Upper Marlborough Road
St Albans
Hertfordshire AL1 3AL

PRINCIPAL SOLICITORS

Mills and Reeve LLP
Botanic House
100 Hills Road
Cambridge CB2 1PH

Rothamsted Research Limited

TRUSTEE'S REPORT (INCLUDING STRATEGIC REPORT)

The Trustees, who are the directors for the purposes of company law, present their Statutory Report, including the Strategic Report, together with the financial statements of Rothamsted Research Limited for the year ended 31 March 2025. Further information can be found at <http://www.rothamsted.ac.uk/>

STRUCTURE, GOVERNANCE AND MANAGEMENT

Directors and Officer

The Directors, who are also the Trustees, the Institute Director and Officer of the Company, who served throughout the year, were as follows:

Directors

Sir Peter Kendall	Appointed 10 December 2024
Professor Sir John Beddington FRS (Chair)	Retired 10 December 2024
Professor Andrew Balmford FRS	Retired 9 September 2025
Professor Bridget Emmett	Retired 10 December 2025
Dr Oliver Doubleday	Retired 10 December 2024
Professor Julie Gray	
Mr Jan Holthuis	
Professor Matt Loble	
Mr Neil Scragg	
Professor Sandy Thomas	

Institute Director

Professor Angela Karp	Retired 25 June 2025
Professor Patrick Bailey	Appointed Interim Director 11 March 2025

Officer

Company Secretary: Louise Warren

Constitution

Rothamsted Research Limited (the Institute or the Company, Rothamsted Research or RRes) is a charitable company which is limited by the guarantees of its members to a maximum of £1 each and which is regulated by the terms of its Articles of Association. The company Registration Number is 02393175. The Company is also a registered charity, number 802038 and, as such, is not usually liable to taxation on income arising from and expended on its charitable activities.

Appointment of Trustees

An executive search agency is used for the identification of potential Trustee-Directors. These are then considered by an appointments panel nominated by the Board and composed of two or three Trustees considering overall balance of skills and experience, vacancies and future needs or pressures on the Board. Potential appointees are invited to visit Rothamsted campus to meet the Institute Director and others as appropriate.

Trustee Induction and Training

New Trustee-Directors are offered training opportunities with good quality national providers identified by mutual agreement. This ensures that the Board are all fully aware of the latest position on relevant Company and Charity law, regulations and good practice especially in the context of Rothamsted Research Limited and the current decisions that it faces. Induction and training for new Trustee-Directors will be carefully tailored to the needs of the individuals concerned with special consideration of the issues that the group faces in the coming months.

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Third Party Claims

The group holds Directors and Officers insurance which will indemnify the Directors against claims from third parties.

Organisation

The Board of Directors is responsible for the overall governance and strategic direction of the Company in accordance with the Company's Articles of Association. Day-to-day management is delegated to the Chief Executive Officer and Institute Director, who the Board is expected to support in the development of strategic direction and policies, objectives and goals. The Chair of the Board is jointly nominated by Lawes Agricultural Trust ("LAT") and UKRI Biotechnology and Biological Sciences Research Council ("UKRI-BBSRC"). All directors are appointed to serve on an *ad hominem* and non-executive basis and, consistent with this position the Board of Directors, advises on the development of strategy and policy. The Institute Director reports to the Chair and Trustee-Directors of Rothamsted Research Limited. There is an appointments panel that is set up as required. The Board considers and is guided by the guidance issued from time to time by the Charity Commission.

The relationship of the Company with its major funding body, UKRI-BBSRC, is defined by the terms and conditions of an Institute Grant Agreement. The Members of the Company are LAT and UKRI-BBSRC plus the Chair of RRes being a single natural Member and they have signed a Members' Agreement. The role of these members is defined through a Members' Agreement that describes how this tripartite arrangement recognises the contribution in land (LAT) and funding (UKRI-BBSRC) respectively to the well-being of Rothamsted Research Limited; this is achieved through an arm's length stance that does not seek to unduly influence the strategic direction of the Institute. To date, the Board has established three sub-committees for specific purposes, namely the Finance and Audit Committee, the Science Advisory Group of the Board, and the Remuneration Committee; the latter setting remuneration for key senior staff based on performance.

Until 2017 there was an agreement in place by which UKRI-BBSRC employees (who were public sector employees and subject to those controls) were deployed to work at Rothamsted Research with the latter bearing all relevant costs. With effect from 1 April 2017 all UKRI-BBSRC employees were transferred to Rothamsted Research Limited employment under TUPE regulations. Pension arrangements protected by TUPE remain the same and are administered by the Research Councils' Pension Scheme. All new members of staff appointed are employees of the Company under terms and conditions defined by the Company. They pay into a defined contribution Pension Scheme (started on 1 April 2012) provided and administered by Aviva PLC.

Employee Consultation

The Company recognises all appropriate Trade Unions representing staff employed. The Institute Negotiating Consultative Committee meets at least twice a year. It provides an avenue for provision of information, consultation and discussion of a wide range of matters affecting staff. At a national level, there is a Joint Negotiating Consultative Committee representing all staff within the institutions supported by the UKRI-BBSRC. Information is also provided at a national and local level through the Annual Report, the Strategic Plan and other publications. The Employee Forum gives an employee voice within Rothamsted and represents all staff across the whole of the organisation. It provides the opportunity for representatives and senior management to share key information, have discussions about the issues, interests and ideas that are important to all, and provides a platform to ensure participation in constructive discussions on how best to grow and develop the Institute. The Forum complements and is additional to existing methods of internal communication. It proactively seeks views and feedback and acts as a communication and consultative body in areas such as: Institute strategy and performance, the political environment and its impact on RRes, organisational development and changes, employment terms and arrangements, employee engagement, health, safety and well-being, training and people development, as well as work life balance and equality and diversity. The Institute Director attends the Institute Negotiating Consultative Committee and receives

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regular reports from the Employee Forum, which is attended by a member of HR, reporting back to the Board.

Disabled Persons

The Company complies with all relevant legislation relating to disabled persons and continually strives to follow best practice in these matters for an employee with a disability to remain in employment or to successfully employ a disabled preferred candidate within a safe working environment.

Our staff code requires that we will not reject a disabled job applicant for a reason which relates to his/her disability; person specifications will always be used, and selection criteria monitored to ensure that discrimination does not unwittingly occur; recruitment and selection procedures will be adapted where possible to ensure that they do not disadvantage disabled job applicants.

We will take steps to try to enable an employee who becomes disabled to remain in employment. In consultation with the employee, adjustments to facilitate their retention will be considered. Employees with disabilities will be provided with opportunities to develop full and rewarding careers on an equivalent basis to other employees with similar skills and abilities and as described above, we will support any such applicants for vacancies across the Institute.

Athena SWAN Charter

The Athena SWAN Charter recognises advancement of gender equality: representation, progression and success for all, and Rothamsted Research Limited is committed to achieving this. Rothamsted Research Limited renewed accreditation for Athena SWAN Bronze award in 2025.

Connected Charity and Companies

The freehold interest in the land and buildings at the Company's main operating site, (Rothamsted, Harpenden, Hertfordshire) is held by Lawes Agricultural Trust, a charity with similar objects to Rothamsted Research. There is no written agreement for the occupation of this site and no rent is charged to the Company by LAT. Land and buildings at North Wyke, Devon are owned by UKRI-BBSRC and occupied by the Company under a formal lease with a peppercorn rent.

Rothamsted Enterprises Limited (REL) is a joint venture of Rothamsted Research, LAT and UKRI-BBSRC. REL operates and provides catering, conferencing and managing agent services for the Conference Centre, Lawes Open Innovation Hub and, on behalf of LAT, The Daniel Hall Building, Innovation Labs and Russell Building. REL is a unique hub focused on promoting collaboration and innovation by partnering with commercial agricultural technology businesses and opening the research process. With access to Rothamsted's world class facilities and researchers, REL offers flexible laboratory space, offices and informal meeting hubs, as well as an extended Conference Centre. Rothamsted Scientific Services began trading April 2023, to help sell scientific capabilities on a commercial basis.

The Charity has a 15.57% shareholding in VSN International Limited, the principal activity of which is research into, and development and distribution of, data analysis software, mainly targeted at the international life science sector. The 2024/25 operating loss of £58k (23/24: £253k) was across all territories of the globe.

Fund Raising

Rothamsted Research Limited does not actively fund raise, and no professional fund-raisers are engaged. Therefore, no complaints were received in connection with fundraising.

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Strategic Report

OBJECTIVES AND ACTIVITIES

The Objects of RRes are:

- For the benefit of the public to advance the science of agriculture by the initiation, protection, development and continuance of investigations and experiments.
- To ensure that research undertaken is complementary to related studies elsewhere whilst providing for regional diversity in the environment and in agricultural practice, and to collaborate in joint programmes where appropriate.
- To promote the dissemination and extension of research findings alone or in association with other charitable organisations having objects similar to the objects of the Company and to actively facilitate the uptake of research results by industry.
- To extend these activities through external funding to provide support to developing countries.

Agriculture provides one of the most spectacular illustrations of how the benefits from good science can provide improved well-being for mankind; from the precarious food security that was found throughout the globe only a few generations ago to a sufficient, predictable supply of good quality food that much of the world enjoys today. However, that situation is not true for many people, nor is it assured without constant scientific development and global food security is a significant political issue for all countries. This situation will become more challenging in the context of adapting to climate change and biodiversity loss and the unique combination of skills and experience across RRes is increasingly relevant for that and the growing bioeconomy.

The mission of RRes is to deliver world-leading research and innovation (R&I) to support productive, sustainable, and resilient farming systems to ensure food security and economic prosperity. Through our long-term, strategic R&I we generate evidence and technologies to support the agri-food sector and inform policy. We work in partnership with research organisations, industry, and society—in the UK and globally—to ensure our discoveries are translated into impacts for real-world farming systems and environments. As a National Capability, RRes provides unique experimental platforms and world-leading science to generate robust evidence of “what works where and why” in real-world farming systems and to drive innovation. Our work spans the full R&I pipeline—from discovery to field deployment—focusing on arable and grazing livestock systems. We deliver science that informs agricultural practice, policy, and environmental stewardship, with co-benefits for economic resilience, growth and public health.

RRes's R&I is underpinned by long-term strategic funding from UKRI-BBSRC, delivered through our Institute Strategic Programme Grants (ISPGs) including cross-institute and cross-Research Council programmes, and a Core Capability Grant (CCG) to support critical infrastructure and National Bioscience Research Infrastructures (NBRIs) comprising long-term insect surveys, field experiments, and farm research platforms. Strategic funding for RRes is essential to maintain UK leadership in translating agricultural R&I and to enable effective collaborations with academia, industry, and farming communities. We leverage our core funding with public, commercial, and philanthropic investments, working in partnership with national and international research organisations, higher education institutions, and stakeholders spanning the agri-food system—from farmers and SMEs through to large multinational companies.

Current Institute Strategic Programme Grant (ISPGs)

- Green Engineering (GreEn)
- Growing Health (GH)
- Resilient Farming Futures (RFF)
- Delivering Sustainable Wheat (DSW)
- AgZero+

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Current National Bioscience Research Infrastructures (NBRIs):

- North Wyke Farm Platform (NWFP)
- Rothamsted Insect Survey (RIS)
- Rothamsted Long Term Experiments (RLTE)

ISPG: GREEN ENGINEERING (GreEn)

Green Engineering (GreEn) addresses the strategic need to redefine the economics of crops and reduce dependence on fossil fuel feedstocks. Our objective is to advance and exploit our understanding of metabolic regulation and genetic intervention to deliver high value plant products and germplasm for health, nutrition, and a more sustainable future. Working across oilseed, forage, and woody biomass crops, GreEn is: (1) Manipulating endogenous metabolic and developmental processes to enhance oil yield; (2) Developing oilseed crops producing non-native, high value lipids with nutritional or pharmaceutical properties using multigene metabolic engineering; (3) Enhancing the phenolic content and composition in woody biomass crops for the development of sustainable industrial and pharmaceutical products. Establishing an evidence base for the real-world performance of GE and GM crops to communicate to policymakers and the public. The outputs and outcomes from GreEn are accelerating the translation of research outcomes into business and policy applications, to support a growing UK bioeconomy.

ISPG: GROWING HEALTH (GH)

Growing Health (GH) is delivering a greater understanding of trade-offs and co-benefits associated with diversified farming practices in UK arable and livestock sectors and enhance UK agroecosystem health through bio-inspired interventions. Our key propositions are: (i) that diversified practices, e.g., using longer crop rotations and mixed cropping systems, can maintain crop/forage productivity and quality by reducing pressures from insect pests, pathogens, and weeds (IPWs), whilst improving soil, crop, water, and air quality through reduced losses of nutrients and greenhouse gases (GHGs); and (ii) that bio-inspired interventions can reduce IPW pressures, improve nutrient provisioning, and protect environments under diversified and lower-input conditions. GH's novelty is in exploring linkages between above- and below-ground signalling and processes, and how these can support innovation pathways, new metrics, and new models to support decision making at multiple scales. GH adopts a broad, platform-based approach to connect science discovery and translation activities. The delivery focus for GH is on outcomes to support UK policies and practices, which maintain wider international relevance. Structured across three integrated work packages—Biointeractions, Soil Environments, and Discovery Landscapes—the programme exploits RRes's unparalleled capacity to deliver integrated science from lab-to-field-to-landscape-scale leveraging our unique science platforms and NBRIs.

ISPG: RESILIENT FARMING FUTURES (RFF)

Agroecosystems deliver essential goods and services yet are face unprecedented abiotic and biotic stresses, underscoring the improve understanding of system responses and scope for adaptation or transformation for a range of stakeholders. RFF uses combinations of long-term data and experimental platforms to examine multiple outcomes arising from system responses, including co-benefits and trade-offs at different scales. RFF combines climate modelling, field and monitoring work, and in vivo and in silico experiments for primary data generation, with in-depth analysis of secondary datasets, to assess the 'resilience' of agroecosystems in terms of production and regulating services at multiple scales relevant to academics, farmers, land managers and policy teams. In so doing, the programme is generating new understanding from the unique research platforms and associated long-term datasets at RRes, including the North Wyke Farm Platform (NWFP) and RRes Long Term Experiments (RLTE) NBRIs, alongside our ensemble of agroecosystem models for improving the representation of predictive uncertainties for multiple system responses, and large networks of commercial farmers to maximise the reach of the novel and timely research.

ISPG: DELIVERING SUSTAINABLE WHEAT (DSW; Cross-Institute, led by the John Innes Centre, JIC)

With a projected global population of 10 billion by 2050, the need for sustainable wheat production is urgent. Climate change, existing and new disease pressures, and declining natural resources pose significant challenges which DSW research is addressing by enhancing wheat production sustainably and improving

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human nutrition. Within this consortium, RRes provides key leadership in trait analysis and field trialling, driving innovation through advanced phenotyping techniques with data-driven evaluation of core germplasm. DSW's success lies, however, in its shared resources. For traits and pre-breeding, RRes and the University of Nottingham's phenotyping facilities combine with JIC genetic resources, alongside specialist knowledge at other institutions. Nutritional biochemistry expertise at RRes combine with in vitro gut systems at the Quadram Institute (QI) and clinical intervention at Imperial College to build an evidence base for increasing dietary fibre and minerals in wheat flour. Pathology hubs at RRes and other institutions make step change discoveries in plant immunity and pathogen weakness. Data leadership at the Earlham Institute and RRes are the foundation of all DSW experimentation and analysis, including wheat and pathogen genome assemblies. These activities sustain national capability in wheat research and create a FAIR (findable, accessible, interoperable, and reusable) data landscape to maximise returns for DSW and beyond.

ISPG: AgZero+ (Cross-Institute and Cross-Council, led by UKCEH)

AgZero+ is combining national scale analysis of Earth Observation (EO) data with new farm scale empirical data and modelling at the field to catchment scale to predict the impact of system level change on multiple outcomes: reducing emissions and pollution, protecting biodiversity and enhancing soil health. Studying these multiple outcomes across temporal and spatial scales demands an interdisciplinary, strategic approach that can only be realised by integrating unique capabilities and data across Institutes. The national scale datasets of farm performance and intensive sampling of a network of commercial farms selected along practice and environmental gradients are examples of the value of cross institute, strategic investment. Making these data and learnings available to the wider academic, policy and stakeholder community will facilitate the contextualisation and interpretation of new data and the environmental impact of future management change to be predicted. AgZero+ is studying alternative solutions to building more sustainable food systems in heterogenous environments. RRes's long-term systems experiments and modelling capabilities are essential for developing a mechanistic understanding of these complex systems. These new insights are informing approaches to benchmarking farms against multiple criteria, predicting the sensitivity of outcomes to management change, and identifying metrics for monitoring change.

NBRI: NORTH WYKE FARM PLATFORM (NWFP)

The North Wyke Farm Platform (NWFP) NBRI is a globally unique, intensively instrumented, farm-scale facility that enables research on productivity and ecosystem responses to diverse management practices for grassland and arable farming. Established in 2010, research informed by its open datasets has helped develop sustainable land management practices that produce healthy food with minimal environmental footprint. This 63 hectare (ha) area comprises three outdoor and one indoor farm where the outdoor farms periodically transition to alternative systems. Each system change is based on prevailing policy and scientific knowledge. All farms provide systems scale data on soils, crops, pasture, livestock, biodiversity, water/gaseous emissions, farm management and weather. The platform also acts as an open physical facility where experiments can align with NWFP activities or support a self-contained study. The platform provides training in the biosciences and the digital sciences. It supports engagement with national and international networks, most notably the Environmental Change Network, the Ecological Continuity Trust and the Global Farm Platform, and is recognised by the Food & Agriculture Organisation of the United Nations (FAO) as an exemplar research facility. It has a strongly collaborative culture, conducts knowledge exchange and public engagement activities, and connects with academia, industry and policy.

NBRI: ROTHAMSTED INSECT SURVEY (RIS)

The Rothamsted Insect Survey (RIS) NBRI provides an unparalleled capacity for long-term, large-scale insect monitoring. Dual nationwide RIS trap networks are comprised of suction towers (12 sites in England, four in Scotland) designed to passively collect migrating insects without variation or bias, and light-traps spanning all UK habitats. This latter network has included >500 sites since 1964; 58 are in active operation with 163 volunteers. This world class example of citizen science has been employed to great effect, facilitating monitoring of moths and other sentinel species for environmental change impacts. Whilst its inception was motivated by need to reduce prophylactic overuse of insecticides, RIS has evolved to effectively serve stakeholders, including growers, conservationists, scientists and policymakers. The suction

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trap network and associated team of entomological experts based at RRes are responsible for the weekly surveillance of over 400 species of aphids, other pests of agronomic importance, beneficials and non-target invertebrates. These suction trap catches are identified then archived for whole organism and/or genetic exploratory work. The sample archive now contains over 100 million insects with informative linked metadata. RRes provides historic continuity, infrastructure stability, and the necessary expertise for deployment of this irreplaceable national resource.

NBRI: ROTHAMSTED LONG-TERM EXPERIMENTS (RLTE)

The Rothamsted Long-Term Experiments (RLTE) NBRI is a globally unique research platform to undertake and support research in tackling societal challenges of sustainable agriculture, food security, and climate change. Treatments on the Long-Term Experiments (LTEs) have created agroecosystems with gradients of measurable characteristics which are manifest in the agroecosystem services and functions provided. Ongoing sampling, recording, analytical and archiving programmes, and dissemination of datasets, continue to enhance the Rothamsted Sample Archive (RSA) and Electronic Rothamsted Archive (e-RA). The RLTE demonstrates connectivity by providing access to the resources, through supporting sample and measurement requests, data requests and direct data download mechanisms. This co-creates new science in soil-plant interactions for RRes ISPGs and other science projects, and numerous UK and international collaboration in a wide range of basic and applied sciences. The RLTE is also a platform for training and teaching in the biosciences. The RLTE supports engagement with key national and international community networks, most notably the UK Environmental Change Network (ECN) and other related national environmental monitoring programmes which connect to Defra and UKRI. The RLTE conducts knowledge exchange and public engagement activities with many user communities, with socioeconomic impact, demonstrating connectivity and an open collaborative culture.

We have recently submitted our Mid-Term Review (MTR) report to UKRI-BBSRC, which highlights excellent progress across our ISPGs and NBRI and describes a new strategy to extend beyond the current Institute Assessment Exercise (IAE) period. Following recent reviews, restructuring, and ongoing reflections arising due to funding challenges, we present a refocused and sustainable 10-year vision for a RRes ("2035 Science Vision"). This vision will see core investment in RRes being refocused into three translational science domains, which will be co-developed with a wide range of stakeholders:

- RRes Integrated Farm Platform (IFP): linking our unique NBRI and phenotyping capabilities across three experimental farms; connecting research and on-farm networks.
- Bio-innovations for Agriculture: understanding and translating bioscience discoveries into next-generation crop and management systems.
- Farm System Adaptation: evaluating outcomes under changing land use and management interventions, including profitability, natural capital, emissions, public health, and resilience.

RISK MANAGEMENT

The Company has a formal risk management strategy which has been in place throughout the period covered by this report and is reviewed by the Board and the Finance and Audit Committee. The Board has overall responsibility for establishing key procedures designed to achieve systems of internal control and for reviewing and evaluating their effectiveness.

The risk management strategy comprises:

- An annual review of the key risks RRes may face.
- The establishment of systems and procedures to mitigate those risks identified within the risk register.
- The implementation of procedures designed to minimise any potential impact on RRes should those risks materialise.
- Financial processes are carefully controlled and monitored through active and regular review of policies and procedures to ensure segregation of duty; appropriate signing authority is monitored.

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A risk register is maintained which sets out the key organisational risks. Risks are considered by reference to the probability of occurrence and impact on RRes.

The principal risks identified, related goals, and management strategies to improve mitigation, are as follows:

Risk Identified	Institute Goal at Risk	Principal Mitigations taken
Loss of major income stream	Short and long-term sustainability & reputation	As referred to in the going concern section on page 14, Strategic reviews are being undertaken with BBSRC via new Finance process and sustainability review. Improved understanding, systems and oversight of competitive grants. Strengthened commercialisation capability and IP policy.
Failure to recruit and retain high performing scientists or key staff	Excellent, outcome-driven, and well-resourced science; highly motivated, skilled and well-performing workforce. Impact on financial sustainability.	External independent Compensation & Benefits Review undertaken. New HR strategy being developed; working groups established to focus on Early Career Researchers and Equality, Diversity & Inclusion.
Non-compliance with laws and standards	A robust system of controls exists to protect the Institute's people, assets, and reputation.	Health & Safety Strategy Group established and governance structures strengthened. Greater Finance and Audit Committee oversight. Management Committee review of all policies and procedures.

The Institute had a dedicated Internal Audit, Risk and Compliance officer until September 2025. Day to day responsibility for the implementation of risk management procedures and ongoing monitoring of risk and the effectiveness of controls rests with the Executive Team (“ET”). The ET examines existing and emerging corporate risks, reviews the Institute risk register and explores corporate risks in detail based upon an agreed timetable. It is also overseen by the Finance and Audit Committee, to which significant risks may be escalated for action or monitoring, as well as high level oversight by the Board.

The Finance and Audit Committee is empowered by the Board of Trustee-Directors and has responsibility for advising on the effectiveness of the systems of internal control, including risk management. To fulfil this requirement, the risk profile is reviewed by the Finance and Audit Committee.

In terms of financial risks, the Group has no borrowings and limited exposure to financial instruments, such as trade debtors and trade creditors. Cash is held in cash accounts with major UK clearing banks. The Group’s exposure to trade debtors and the associated risk of default is limited to only £2.8m at 31 March 2025 (2024: £1.3m). Future strategic funding for five years from April 2023 was ratified by BBSRC council in December 2022 and there is nothing to suggest that RRes does not remain a key strategic institute of UKRI-BBSRC as evidenced by recent financial investment in the capital requirements and transformation of the institute alongside the future strategic funding. As indicated within the ‘Going concern’ section on page 14, BBSRC have also committed to a further £8.5m of funding in the 2025/26 financial year, of which £7.8m has been received and subject to a number of conditions £3.7m for 2026/27, though the timing and phasing of this investment in the Institute is crucial to maintaining adequate free cash balances.

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PUBLIC BENEFIT

Rothamsted Research Limited traces its primary Object back to that of the LAT – still extant and owner of the land and building assets at Rothamsted and Broom's Barn from which it was created in 1986; this Object can be summarised as the advancement of the science of agriculture. By virtue of the means and routes by which this is carried out, it is clearly aimed at public benefit and so falls within the charitable purpose of "the advancement of the arts, culture, heritage or science". There are inevitable ancillary benefits from the primary activities as a result of meeting the primary Object that would fall into the categories of advancement of education, the advancement of environmental protection or improvement and, perhaps to a more limited extent, the advancement of health. The Charity Commission guidance lists "scientific research" as one of the approved categories and specifically mentions scientific research projects under the heading of the advancement of science. The Trustee-Directors have complied with section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

In the preceding sections of this report, we detail how the Object of RRes are being successfully pursued through our strategic programme of R&I. We aim to reach the highest level in the quality of our scientific research; we ensure that this is fully and widely distributed to a global audience and so achieve international recognition. This will continue to be via the referred scientific literature, through contributions to research conferences as speakers and poster providers and via popular press articles for farmers and those engaged in land management. For the wider public we both initiate debates on important scientific issues relating to food production and security and proactively engage in discussions and consultations involving these topics.

The benefits of our work reach and influence, directly or indirectly, all sectors of society: the broad aim of optimising the use of resources, maintaining crop production, while minimising potentially damaging environmental impacts is of benefit to all of humanity.

The scientific strategy is highly outcome-focussed. Rothamsted Research Limited is continuing to monitor and understand the benefits that the research work has brought to a broad cross section of the community and more details can be seen on our web site at <http://www.rothamsted.ac.uk/our-science>. This covers a range of scientific disciplines, but examples include improvement of fertiliser recommendations to reduce waste and pollution, improved monitoring of aphids, tracking and controlling potato diseases, enhancing disease resistance in oilseeds used in the Indian sub-continent and controlling insect vectors of human/animal disease for use in both the developed and developing world. Also, Rothamsted data has informed regulations for heavy metal levels in grains, glucosinolate levels in rape seed oil and opportunities for monitoring and improving soil health.

Indirect benefit may arise from a commercial company identifying new opportunities within our research findings or during a collaboration; this is incidental to our work so in our dealings with commercial companies we do not accept any blanket inhibition on freedom to publish. We do accept that, in some examples, the best way that scientific discoveries may be introduced and achieve the most widespread use is through protection of our intellectual property and therefore fully accept that such an approach can be a legitimate form of comprehensive dissemination and actively pursue this where appropriate. Any financial benefit captured by RRes in this, or any other way will be used to further pursue its primary Objects.

FINANCIAL REVIEW

Income

Total group income was £29.3m (2024: £39.7m). This included capital grants of £2.8m (2024: £11.0m). When comparing income year on year, if capital funding is removed, income has decreased by 7%. The principal reasons for this decrease are one off commercial grants received during the prior year. Rothamsted's principal funder, UK BBSRC, contributed 66% of total income (2024: 76%).

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Expenditure

Total group expenditure for the year amounted to £34.1m (2024: £33.6m). Recurrent expenditure (excluding depreciation and redundancy costs) increased from £29.9m to £30.7m as a result of general inflationary pressures. Depreciation and amortisation charges have decreased by £0.1m in the year due to older assets being fully amortised.

Net movement in reserves and reserves position

The overall net movement in reserves for the year was a decrease of £5.3m. Unrestricted reserves increased by £1.9m to £17.9m, and restricted reserves decreased by £7.2m to £62.3m. Cash reserves were £5.1m of which £2.5m related to free operating reserves and £2.6m were related to restricted capital funds. The cash position is closely monitored and forecasts updated monthly to provide early warning of cash requirements.

Subsidiaries and joint ventures

A joint venture (Rothamsted Enterprise Limited) made a loss of £141k (2024: £50k) of which Rothamsted's 40% share was £56k. The investment interest recognised in the group accounts is nil as Rothamsted has not incurred legal or constructive obligations or made payments on behalf of the joint venture. Rothamsted Enterprises Ltd manages the Lawes Open Innovation Hub and the Rothamsted Conference Centre extension on land at West Common, Harpenden, and its principal activities are conferencing, business incubation and shared laboratory facilities to promote collaborative working. REL manages both the Daniel Hall, Innovation Labs and Russell Buildings for LAT and has relaunched the Manor now appropriate licenses are in place.

Rothamsted Scientific Services (RoSS) was incorporated as a trading subsidiary of RRes to facilitate the provision of scientific services to third parties on a commercial basis. Trading profits were £44k (2024:£22k).

Capital expenditure.

Capital expenditure for the year was £4.7m supported by capital grants from BBSRC.

Cash

Cash at 31 March 2025 was £5.1m (2024: £13.2m). Rothamsted deposits its cash with major UK clearing banks. Income from cash deposits in the year was £357k (2024: £464k).

Cash balances were split between operating cash £2.5m and restricted capital reserves £2.6m.

Investment policy

The Group's investments are held to:

- Provide operational liquidity
- Plan for scientific research; and
- Support intellectual property

The Institute has the ability to have investments that are held as fixed term deposits with major UK clearing banks. Cash is drawn down in line with a planned expenditure schedule within the budget and in conjunction with the reserves policy and forecasting. Maturities of the deposits match these timelines.

In addition, there are a small number of investments held to achieve a longer-term return on intellectual property to provide funding for future research programmes and a model for commercialisation of research and innovation in to the market place.

Social investments

RRes has made a number of mixed motive investments under the SHAKE Climate Change Entrepreneur support programme. The Charity awards these for entrepreneurs and start-ups who are combatting climate change with science or tech-based ideas in the areas of agriculture or food production. Successful applicants who receive a loan are mentored and supported by leading science tech and business experts with regular meetings to monitor performance. The mixed motive investments are included in the financial statements as

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TRUSTEE'S REPORT (INCLUDING STRATEGIC REPORT)

social investments and are made in the form of a concessionary loan. These concessionary loans are granted for an initial term of 12 months with interest of 5% per annum. Each loan automatically converts into shares in the event of default or if the purpose of the loan can no longer be effectively furthered. Otherwise, the loans are convertible at the Charity's option any time after the initial 12-month term. As at 31 March 2025, 11 loans totalling £1,460k have been made, of which 9 have been converted and 2 remain as convertible loans though have been fully impaired.

Reserves policy

The Group's unrestricted reserves are held to support financial solvency, manage uncertainty and fund future activities.

The level of unrestricted reserves required by the group is therefore determined by reference to:

- Future operational and capital expenditure requirements for the ISP funding cycle
- Potential financial risks identified in the risk register
- Potential funding required for strategic investments not included in the operating budget
- Working capital/liquidity requirements

The safe minimum level of operating cash reserves is targeted at £1m which is based on the historic intra-month fluctuation in cash levels.

The Institute had £17.9m of unrestricted reserves at 31 March 2025. However operational cash reserves were £2.5m at year end, after a cash injection from BBSRC in December 2024 meaning the Institute falls short of its operating cash reserve target. Steps are being taken to address this deficit as described below.

GOING CONCERN

The Institute has financially struggled for many years and as reported above has substantially reduced its financial reserves. In 2023, BBSRC put in place strategic funding for the five years to March 2028 totalling £12.2m per annum. In addition to the strategic funding RRes meets its costs through leveraged grant monies and trading income. However, this combined level of income has proven to be insufficient to cover costs and the Institute's financial difficulties continued with operational cash reserves being reduced by £2.5m in 2025. This included receiving further ad-hoc investment from UKRI-BBSRC to assist the Institute in maintaining the viability of the science of £2.5m (2024: £3.5m).

Given this background and the retirement of the Institute Chair and Director during 2024/25, BBSRC commissioned an external panel to review the scientific strategy and capabilities of Rothamsted which together with input from the Executive Team and Board has resulted in the creation of a new "2035 Science Vision" as detailed below in Future Developments.

The 2025/26 year started with new leadership and a focus on restructuring to deliver sufficient income to cover its costs within a conservative 5-year period. To that end UKRI-BBSRC provided £1.9m of financial support to allow Rothamsted to significantly reduce its staffing levels by 71 posts and another 22 vacancies have been permanently deleted from the establishment. The annualised cost saving from the 93 post reductions is £5m. The reduction in staffing levels was the first action and the next step, led by the interim COO, is to reduce non staff costs and grow revenue to improve the deficit by a further £1m. Further changes in the operating model were made:

- the creation of a new "2035 Science Vision" as detailed below in Future Developments;
- a change in the IET composition and reduction from 10 to 6 members;
- reduction in the number of science Directors from 5 to 2 and from 18 science sub-sections to 8;
- reduction in the number and volume of internally focused sub-committees to free up staff time;
- in line with common practice amongst universities and other research institutes a focus on grant targets and performance management of every principal investigator/science leader;

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TRUSTEE'S REPORT (INCLUDING STRATEGIC REPORT)

- a heightened scrutiny on pricing of grants and trading income and not seeking grants from bodies that would lead to potentially loss-making projects other than if the project is of significant scientific merit; and
- increased level of trading income, as per the results of a recently completed external review which highlighted revenue generation opportunity from the under-utilised science facilities and ad-hoc consultancy work that the Institute can provide at a higher margin than grants.

The Executive Team and Board is committed to working with its partner members UKRI-BBSRC and LAT to take all appropriate action to ensure that the Institute can move from a deficit to a surplus position and put its longer-term future on a more financially sustainable footing.

The Institute would like to acknowledge the support of UKRI BBSRC and assistance and dedication of its staff and Executive team throughout this difficult period.

As a result of these changes, trading during the 10-month period to January 2026 is in line with Budget and shows a significantly reduced deficit after further ad-hoc investment from BBSRC (£5.4m) to assist the Institute in maintaining the viability of science in that 10-month period. The Outline Budget for 2026/27 is a break-even position after £3.7m of investment in the science that UKRI-BBSRC has committed to provide subject to certain conditions and performance delivery. Additionally, capital awards of £2.8m in 24/25, £10.7m in 23/24 and £14.7m made in 22/23 demonstrate that the Institute remains a key national capability.

The Board has reviewed and approved the Executive's financial forecasts to March 2027. These forecasts include detailed cashflow projections, and stretch out to 29/30, and are considered by the Directors to reflect:

- Achievable levels of competitive funding awards – the target for 29/30 being similar to levels achieved in 22/23 and factoring compounded inflation, actually represents a smaller target than the income achieved in 22/23.
- Achievable levels of trading income – as per the results of a recently completed external review of the revenue generation potential of the science facilities and consultancy work.
- Implemented staff cost reductions – amounting to £5m of recurrent saving.
- Reasonable and prudent assumptions for non-staff cost levels – cost inflation is fully factored into forecasts and offset by a range of identified and in some cases, implemented projects to reduce non-pay costs.
- Reasonable assumptions around the timing of cash receipts and cash profile of expenditure.
- The likelihood of continued support from UKRI-BBSRC: in January 2026, the Institute was subject to an in-depth Mid-Term Review, and the initial oral feedback from UKRI-BBSRC has been wholly positive.

The Board concludes that the Institute, with the continued support of UKRI-BBSRC and LAT, can continue to operate within its currently available and projected cash and working capital facilities for the 12 months from sign off of the financial statements and is therefore considered a going concern.

However, this is dependent upon a number of factors: it could face significant operational challenge to be able to generate external income, additional unplanned costs (when already operating on a relatively tight operational cash position), and the £3.7m of grant award from UKRI-BBSRC contains certain performance and information delivery conditions that may not be achieved.

As a result, although the Directors believe that the Institute can continue as a going concern, there are the aforementioned material uncertainties that may cast doubt on this assumption.

Rothamsted Research Limited

TRUSTEE’S REPORT (INCLUDING STRATEGIC REPORT)

Key performance indicators

During the year a number of key performance indicators (KPI’s) have been implemented in order for the Executive Team and Trustee Board to monitor financial performance and sustainability of the Institute. Each KPI is **Specific, Measurable, Achievable, Realistic and Time-bound (SMART)** and is reported on at least once a quarter.

For external reporting the following four KPIs have been chosen.

KPI’s 1, 2 and 3 are concerned with the submitting and winning of new grants in order to leverage additional income. A grant will typically span several years.

KPI 4 is concerned with ensuring the staffing split between science and non-science staff remains sustainable.

Targets were set for the financial year based on performance in the previous year and the overall performance is highlighted in the table below.

	2022/23	2023/24	2024/25
KPI 1: Grants awarded (£’000)	16,658	14,355	4,558
KPI 2: Grants awarded (number)	78	58	40
KPI 3: Grant success rate (all funders)	54%	38%	24%
KPI 4: Ratio of science to technical/admin staff (FTE)	2.50	2.57	2.70

The total value of grants awarded has reduced from the previous years as the awarded amount in 2024/25 reflecting the reduction of capital grants bid for and won and reduced bid activity due to uncertainty the organisation found itself in during the financial year and increased competition across the grant environment. The ratio of science staff to technical/admin staff based on FTE has increased.

FUTURE DEVELOPMENTS

Rothamsted Research is entering a transformative phase designed to strengthen its role as a UK National Capability and a global leader in agricultural systems science. Building on its long-standing reputation for pioneering R&I, RRes’s future mission is to deliver integrated, data-driven solutions to the most pressing challenges in agriculture—climate resilience, food security, biodiversity, and sustainable productivity. RRes will continue to act as a convening hub for agricultural R&I through strategic partnerships with academia, industry, and farmer networks, and communicate and engage with the wider public.

The Institute has been working in close collaboration with BBSRC to ensure the future vision is endorsed and aligned with that organisation and that the case for continued transformative investment is well made and supported.

At the heart of this transformation is the creation of a new “2035 Science Vision” focuses on three strategic science domains. The first of these is an Integrated Farm Platform (IFP), which will unite RRes’s three research farms—Harpenden, Broom’s Barn, and North Wyke—into a single, harmonised experimental network. This platform will enable deep phenotyping of crops, livestock systems research, and testing of innovative land-use interventions such as agroforestry, regenerative practices, and climate adaptation strategies. Advanced technologies, including drone-based hyperspectral imaging, automated biodiversity monitoring, will provide real-time insights into system performance. The IFP will be supported by the Rothamsted Farms Data Platform, embedding FAIR data principles and AI readiness to deliver interoperable datasets and predictive analytics for science, policy, and industry.

Complementing the IFP are two further new science domains: Bio-innovations for Agriculture, which will accelerate precision breeding, engineering biology, and novel crop protection strategies; and Farm System

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TRUSTEE'S REPORT (INCLUDING STRATEGIC REPORT)

Adaptation, which will explore nature-based solutions, circular resource management, and Monitoring, Reporting & Verification (MRV) frameworks to support climate mitigation and adaptation strategies and more sustainable farming systems.

To ensure delivery and accountability, RRes is implementing a simplified and more robust KPI framework aligned with BBSRC priorities. KPIs will track financial sustainability (operating results, liquidity, income diversification), workforce health (headcount, turnover, engagement), operational efficiency (cost savings, maintenance ratios, energy use), and scientific impact (grant success rates, external income share, knowledge exchange, and research outputs). These indicators will be embedded into performance management and reported regularly, ensuring transparency and alignment with transformation milestones. The KPI framework will be integrated with a refreshed People and Culture Strategy.

These developments position RRes to deliver world-class research and real-world impact—supporting a sustainable, resilient, and healthy future for UK agriculture and beyond.

Compliance with section 172

The Board of Trustees welcomes the opportunity to demonstrate how they have developed the Institutes business relationships with stakeholders. The Trustees believe that they have acted in a way they consider would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the act) in the decisions taken during the year ended 31 March 2025 and in the approval of the Transformation Programme.

As Trustees, our intention is to behave responsibly and ensure that management operate the business in a responsible manner, operating within high standards of business conduct and good governance. The Trustees intention is to behave responsibly towards our stakeholders and treat them fairly and equally, so they too may benefit from the successful delivery of our plan. When making strategic decisions the Trustees have taken into account the likely consequences of these decisions in the long term.

The Trustees continue to work closely with UKRI-BBSRC, as evidenced through the conception and progress of the new strategic ISP/NBRI programme. Employees from across the Institute have been closely involved in the development and direction of the strategic programme, with working groups given the opportunity to attend Board meetings and provide feedback. As reflected in the Strategic Report (Pages 6-10), the Institute has continued to strengthen links with farmers, Government and public engagement. The Institute engages with staff through the employee consultation channels described on Page 4 of the Trustees' Report, and is pleased to confirm continuation of its Athena SWAN Charter.

The Trustees are responsible for the overall governance and strategic direction of Rothamsted Research and have a duty to ensure it provides a service that is a public benefit and meets the needs of its beneficiaries. Their role includes the provision of leadership with a framework of prudent and effective controls, including through the Finance and Audit Committee and Scientific Advisory Group of the Board.

The Trustees have maintained a close relationship with the Institute leadership team and have engaged with the Institute Executive Team (IET), comprising senior members of the Institute from both scientific and operational areas. The IET reports to the Board through the Institute Director.

Energy and Carbon Reporting

As part of the obligations set out under the Energy and Carbon Report Regulations 2018, RRes is required to disclose the energy and carbon created as an organisation over the last reporting year starting on or after April 2019. To fulfil this, we have measured our UK energy and greenhouse gas emissions as classified within scope 1 and 2 (Streamlined Energy and Carbon Reporting (SECR)).

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TRUSTEE'S REPORT (INCLUDING STRATEGIC REPORT)

Energy Consumption and Greenhouse Gases

Streamline Energy and Carbon Reporting (SECR) is a government reporting programme that came into force on 1 April 2019. RRes engaged TEAM (Energy Auditing Agency) Ltd to prepare its SECR, who used half hourly electrical consumption data, gas usage data, red diesel data, propane data, organisation transport data and intensity ratio information provided by RRes. TEAM then used the latest figures provided by The Department for Energy Security and Net Zero and The Department for Environment, Food and Rural Affairs to convert the useable data into Tonnes of Carbon Dioxide equivalent (tCO₂e).

RRes's consumption and associated greenhouse gas emissions for the financial year April 2024 to March 2025 are shown in the table below.

Information Required	Current Reporting Year	Previous Reporting Year
Energy consumption used to calculate emissions: /kWh	Gas: 20,135,467 kWh Propane: 548,980 kWh Red Diesel: 587,759 kWh Burning Oil: 6,104 kWh Business Travel: 236,861 kWh Electricity: 3,322,320 kWh Total: 24,837,491 kWh	Gas: 19,464,537 kWh Propane: 792, 574 kWh Red Diesel: 786, 997 kWh Burning Oil: - Business Travel: 152, 818 kWh Electricity: 3, 637, 579 kWh Total: 24,834,505 kWh
Emissions from combustion of gas tCO ₂ e (Scope 1)	3,682.8 tCO ₂ e	3,560.63 tCO ₂ e
Emissions from combustion of propane tCO ₂ e (Scope 1)	117.5 tCO ₂ e	169.29 tCO ₂ e
Emissions from combustion of red diesel tCO ₂ e (Scope 1)	150.8 tCO ₂ e	204.92 tCO ₂ e
Emissions from combustion of burning oil tCO ₂ e (Scope 1)	1.5 tCO ₂ e	-
Emissions from business travel in company owned vehicles (Scope 1)	58.8 tCO ₂ e	38.06 tCO ₂ e
Emissions from F Gas Leak Recharge (Scope 1)	146.6 tCO ₂ e	121.67 tCO ₂ e
Emissions from purchased electricity (Scope 2, location- based)	687.9 tCO ₂ e	753.25 tCO ₂ e
Total gross CO ₂ e based on above	4,845.9 tCO ₂ e	4,848 tCO ₂ e
Intensity ratio:	77.26 kgs of CO ₂ e per m ² of occupied floor area (62720.5m ²)	75.97 kgs of CO ₂ e per m ² of occupied floor area (63812.5 m ²)

Energy Efficiency Actions

In the year, fluorescent lighting was replaced with LED within the greenhouses. Further LED lighting upgrades were made in offices, Controlled Environment Facilities were upgraded to more energy efficient equipment, and replacement fume cupboards are more energy efficient.

AUDITOR

Buzzacott Audit LLP has indicated its willingness to continue in office.

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TRUSTEE'S REPORT (INCLUDING STRATEGIC REPORT)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Rothamsted Research Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of 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 in 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);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK 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 company 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 company 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 company and the group 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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the corporate and 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.

The Trustees' Report prepared under the Charities Act 2011, which also contains all information required in a Directors' Report by the Companies Act 2006, and the incorporated strategic report prepared under the Companies Act 2006, were approved by the Board and signed on 30 March 2026 by Sir Peter Kendall.

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TRUSTEE'S REPORT (INCLUDING STRATEGIC REPORT)

The Strategic Report, which concludes above, includes information in respect of financial instruments, future development and research and development activities in accordance with the section 414C(11) of the Companies Act 2006.

On Behalf of the Board



Sir Peter Kendall
Chair, Board of Trustee Directors
Rothamsted Research Limited
Harpenden
Hertfordshire
AL5 2JQ

Date: 30 March 2026

Rothamsted Research Limited

INDEPENDENT AUDITORS REPORT

Opinion

We have audited the financial statements of Rothamsted Research Limited (the ‘charitable parent company’) and its subsidiaries (the ‘group’) for the year ended 31 March 2025 which the comprise the group and charitable parent company statement of financial activities, the group and charitable parent company balance sheets, the group and charity statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 charitable parent company’s affairs as at 31 March 2025 and of the group’s and of the charitable parent company’s income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to the information contained in the trustees’ report on pages 13 and 14 and to the going concern accounting policy on pages 29 and 30 in the financial statements which indicates that material uncertainties exist that may cast significant doubt on the charitable parent company and charitable group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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 and financial statements, 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.

Rothamsted Research Limited

INDEPENDENT AUDITORS REPORT

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report.

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

- adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable parent 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 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 charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the charitable parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

- Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

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INDEPENDENT AUDITORS REPORT

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the group and the charitable company through discussions with management, and from our knowledge and experience of the sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and the charitable company, including the Companies Act 2006, Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102).
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- The identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.
- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- Performed substantive testing of expenditure including authorisation thereof.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of Board and Finance and Audit Committee meetings; and
- Enquiring of management as to actual and potential litigation and claims, including inspecting the relevant correspondence from regulators and advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

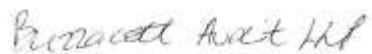
Use of our report

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

Rothamsted Research Limited

INDEPENDENT AUDITORS REPORT

company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott Audit LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

30 March 2026

Rothamsted Research Limited

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(including income and expenditure account)

For the year ended 31 March 2025

Company Registration Number 02393175

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total funds 2025 £'000	Total funds 2024 £'000
INCOME					
Income from:					
- trading	1	823	-	823	670
- investments	2	379	-	379	492
Income from charitable activities:					
- scientific research	3	5,882	19,108	24,990	27,181
- capital grants	3	-	2,764	2,764	10,963
- postgraduate education and training	3	-	297	297	413
		5,882	22,169	28,051	38,557
TOTAL INCOME		7,084	22,169	29,253	39,719
EXPENDITURE ON:					
Raising funds	5	462	-	462	187
Charitable activities	6a	4,484	29,157	33,641	33,429
		4,946	29,157	34,103	33,616
TOTAL EXPENDITURE		4,946	29,157	34,103	33,616
Net (loss) on investments	12	(222)	(193)	(415)	(100)
NET INCOME (EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS		1,916	(7,181)	(5,265)	6,003
Transfers between funds	16	-	-	-	-
NET MOVEMENT IN FUNDS IN YEAR		1,916	(7,181)	(5,265)	6,003
RECONCILIATION OF FUNDS					
Fund balances at 1 April 2024		15,946	69,517	85,463	79,460
Fund balances at 31 March 2025		17,862	62,336	80,198	85,463

All income and expenditure derive from continuing activities.

Rothamsted Research Limited
STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)
For the year ended 31 March 2025

Company Registration Number 02393175

	<i>Notes</i>	Unrestricted funds £'000	Restricted funds £'000	Total funds 2025 £'000	Total funds 2024 £'000
INCOME					
Income from:					
- trading	1	319	-	319	469
- investments	2	379	-	379	492
Income from charitable activities:					
- scientific research	3	5,882	19,108	24,989	27,181
- capital grants	3	-	2,764	2,764	10,963
- postgraduate education and training	3	-	297	297	413
		<u>5,882</u>	<u>22,169</u>	<u>28,050</u>	<u>38,557</u>
TOTAL INCOME		<u>6,580</u>	<u>22,169</u>	<u>28,748</u>	<u>39,518</u>
EXPENDITURE ON:					
Raising funds	5	13	-	13	8
Charitable activities	6a	4,484	29,157	33,641	33,429
		<u>4,497</u>	<u>29,157</u>	<u>33,654</u>	<u>33,437</u>
TOTAL EXPENDITURE		<u>4,497</u>	<u>29,157</u>	<u>33,654</u>	<u>33,437</u>
Net (loss) on investments		(222)	(193)	(415)	(100)
NET INCOME (EXPENDITURE) FOR THE YEAR BEFORE TRANSFERS		1,861	(7,181)	(5,320)	5,981
Transfer between funds	16	-	-	-	-
		<u>1,861</u>	<u>(7,181)</u>	<u>(5,320)</u>	<u>5,981</u>
NET MOVEMENT IN FUNDS IN YEAR		<u>1,861</u>	<u>(7,181)</u>	<u>(5,320)</u>	<u>5,981</u>
RECONCILIATION OF FUNDS					
Fund balances at 1 April 2024		15,927	69,517	85,444	79,463
		<u>15,927</u>	<u>69,517</u>	<u>85,444</u>	<u>79,463</u>
Fund balances at 31 March 2025		<u>17,788</u>	<u>62,336</u>	<u>80,124</u>	<u>85,444</u>

Rothamsted Research Limited

BALANCE SHEETS

31 March 2025

Company Registration Number 02393175

	Notes	Group 2025 £'000	Charity 2025 £'000	Group 2024 £'000	Charity 2024 £'000
FIXED ASSETS					
Tangible assets	10	68,170	68,170	66,755	66,755
Intangible assets	11	14	14	174	174
Investments	12	278	278	499	499
Social investments	12	1,495	1,495	1,688	1,688
Joint venture	12	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
		69,957	69,957	69,116	69,116
CURRENT ASSETS					
Stock		1,032	1,032	957	957
Debtors	13	8,340	8,309	6,343	6,268
Cash at bank and in hand		5,100	5,028	13,249	13,229
		<hr/>	<hr/>	<hr/>	<hr/>
		14,472	14,369	20,549	20,454
CREDITORS: Amounts falling due within one year	14	(4,231)	(4,202)	(4,202)	(4,126)
		<hr/>	<hr/>	<hr/>	<hr/>
NET CURRENT ASSETS		10,241	10,167	16,347	16,328
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		80,198	80,124	85,463	85,444
		<hr/>	<hr/>	<hr/>	<hr/>
NET ASSETS		80,198	80,124	85,463	85,444
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
FUNDS					
Restricted funds	16	62,336	62,336	69,517	69,517
Unrestricted funds:					
General funds		17,862	17,788	15,196	15,177
Designated funds		-	-	750	750
	16	<hr/>	<hr/>	<hr/>	<hr/>
		17,862	17,788	15,946	15,927
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS		80,198	80,124	85,463	85,444
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The financial statements set out on pages 27 to 57 were approved by the Board and authorised for issue on 30 March 2026 and signed on its behalf by:



Mr Neil Scragg
Director

Rothamsted Research Limited

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2025

	<i>Notes</i>	2025 £'000	2024 £'000
Net cash used in operating activities	17	(6,621)	(4,188)
Cash flows from investing activities			
Dividends, interest and rent from investments		379	491
Purchase of intangibles, property, plant and equipment		(4,671)	(9,339)
Capital grants received		2,764	10,963
		<hr/>	<hr/>
Net cash generated by investing activities		(1,528)	2,116
		<hr/>	<hr/>
Change in cash and cash equivalents in reporting period		(8,149)	(2,072)
Cash and cash equivalents at beginning of reporting period		13,249	15,321
Cash and cash equivalents at the end of the reporting period	17	<hr/> <u>5,100</u>	<hr/> <u>13,249</u>

Rothamsted Research does not have any borrowings or lease obligations. Net debt consists therefore of the cash at bank and in hand.

Rothamsted Research Limited

CHARITY STATEMENT OF CASH FLOWS

for the year ended 31 March 2025

	<i>Notes</i>	2025 £'000	2024 £'000
Net cash used in operating activities	18	(6,673)	(4,208)
Cash flows from Investing activities			
Dividends, interest and rent from investments		379	492
Purchase of intangibles, property, plant and equipment		(4,671)	(9,339)
Capital grants received		2,764	10,963
		<hr/>	<hr/>
Net cash generated by investing activities		(1,528)	2,116
		<hr/>	<hr/>
Change in cash and cash equivalents in reporting period		(8,201)	(2,092)
Cash and cash equivalents at beginning of reporting period		13,229	15,321
Cash and cash equivalents at the end of the reporting period	19	<u>5,028</u>	<u>13,229</u>

Rothamsted Research does not have any borrowings or lease obligations. Net debt consists therefore of the cash at bank and in hand.

Rothamsted Research Limited

ACCOUNTING POLICIES

These financial statements have been prepared in accordance with FRS102 (The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102)). The financial statements have been prepared under the historical cost convention as modified by carrying investments at fair value. The financial statements meet the requirements of the Companies Act 2006, the Statement of Recommended Practice - Accounting and Reporting by Charities (Charities SORP (FRS102)) and applicable accounting standards. Rothamsted Research Limited is a private company limited by guarantee and a registered charity. It is registered, domiciled and incorporated in England. The registered company and charity numbers are on page 2. The charity is a public benefit entity as defined by FRS102 and part of a public benefit group. Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated. Sterling is the Group's functional and presentational currency.

GOING CONCERN

The Board have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Institute and group to continue as a going concern. The Board has made this assessment for a period of at least one year from the date of approval of the financial statements.

The Institute has financially struggled for many years and as reported above has substantially reduced its financial reserves. In 2023, BBSRC put in place strategic funding for the five years to March 2028 totalling £12.2m per annum. In addition to the strategic funding RRes meets its costs through leveraged grant monies and trading income. However, this combined level of income has proven to be insufficient to cover costs and the Institute's financial difficulties continued with operational cash reserves being reduced by £2.5m in 2025. This included receiving further ad-hoc investment from UKRI-BBSRC to assist the Institute in maintaining the viability of the science of £2.5m (2024: £3.5m).

Given this background and the retirement of the Institute Chair and Director during 2024/25, BBSRC commissioned an external panel to review the scientific strategy and capabilities of Rothamsted which together with input from the Executive Team and Board has resulted in the creation of a new "2035 Science Vision" as detailed below in Future Developments.

The 2025/26 year started with new leadership and a focus on restructuring to deliver sufficient income to cover its costs within a conservative 5-year period. To that end UKRI-BBSRC provided £1.9m of financial support to allow Rothamsted to significantly reduce its staffing levels by 71 posts and another 22 vacancies have been permanently deleted from the establishment. The annualised cost saving from the 93 post reductions is £5m. The reduction in staffing levels was the first action and the next step, led by the interim COO, is to reduce non staff costs and grow revenue to improve the deficit by a further £1m. Further changes in the operating model were made:

- the creation of a new "2035 Science Vision" as detailed below in Future Developments;
- a change in the IET composition and reduction from 10 to 6 members;
- reduction in the number of science Directors from 5 to 2 and from 18 science sub-sections to 8;
- reduction in the number and volume of internally focused sub-committees to free up staff time;
- in line with common practice amongst universities and other research institutes a focus on grant targets and performance management of every principal investigator/science leader;
- a heightened scrutiny on pricing of grants and trading income and not seeking grants from bodies that would lead to potentially loss-making projects other than if the project is of significant scientific merit; and
- increased level of trading income, as per the results of a recently completed external review which highlighted revenue generation opportunity from the under-utilised science facilities and ad-hoc consultancy work that the Institute can provide at a higher margin than grants.

The Executive Team and Board is committed to working with its partner members UKRI-BBSRC and LAT to take all appropriate action to ensure that the Institute can move from a deficit to a surplus position and put its longer-term future on a more financially sustainable footing.

Rothamsted Research Limited

ACCOUNTING POLICIES

The Institute would like to acknowledge the support of UKRI BBSRC and assistance and dedication of its staff and Executive team throughout this difficult period.

As a result of these changes, trading during the 10-month period to January 2026 is in line with Budget and shows a significantly reduced deficit after further ad-hoc investment from BBSRC (£5.4m) to assist the Institute in maintaining the viability of science in that 10-month period. The Outline Budget for 2026/27 is a break-even position after £3.7m of investment in the science that UKRI-BBSRC has committed to provide subject to certain conditions and performance delivery. Additionally, capital awards of £2.8m in 24/25, £10.7m in 23/24 and £14.7m made in 22/23 demonstrate that the Institute remains a key national capability.

The Board has reviewed and approved the Executive's financial forecasts to March 2027. These forecasts include detailed cashflow projections, and stretch out to 29/30, and are considered by the Directors to reflect:

- Achievable levels of competitive funding awards – the target for 29/30 being similar to levels achieved in 22/23 and factoring compounded inflation, actually represents a smaller target than the income achieved in 22/23.
- Achievable levels of trading income – as per the results of a recently completed external review of the revenue generation potential of the science facilities and consultancy work.
- Implemented staff cost reductions – amounting to £5m of recurrent saving.
- Reasonable and prudent assumptions for non-staff cost levels – cost inflation is fully factored into forecasts and offset by a range of identified and in some cases, implemented projects to reduce non-pay costs.
- Reasonable assumptions around the timing of cash receipts and cash profile of expenditure.
- The likelihood of continued support from UKRI-BBSRC: in January 2026, the Institute was subject to an in-depth Mid-Term Review, and the initial oral feedback from UKRI-BBSRC has been wholly positive.

The Board concludes that the Institute, with the continued support of UKRI-BBSRC and LAT, can continue to operate within its currently available and projected cash and working capital facilities for the 12 months from sign off of the financial statements and is therefore considered a going concern.

However, this is dependent upon a number of factors: it could face significant operational challenge to be able to generate external income, additional unplanned costs (when already operating on a relatively tight operational cash position), and the £3.7m of grant award from UKRI-BBSRC contains certain performance and information delivery conditions that may not be achieved.

As a result, although the Directors believe that the Institute can continue as a going concern, there are the aforementioned material uncertainties that may cast doubt on this assumption.

BASIS OF CONSOLIDATION

A new wholly-owned subsidiary Rothamsted Scientific Services was incorporated on 20 October 2022. Trading in this undertaking commenced on 1 April 2023. This entity is fully consolidated in the financial statements.

JOINT VENTURES

Undertakings in which the group has a long-term interest, and which are under joint control are defined as joint ventures. Joint ventures are accounted for using the equity method.

TANGIBLE FIXED ASSETS

Tangible fixed assets are depreciated to their estimated residual values over their expected useful lives on a straight-line basis. Items over £3,000 are capitalised.

Buildings	25 - 50 years
Plant & Machinery	5 - 10 years
Fixtures, Fittings and Vehicles	3 - 10 years

Rothamsted Research Limited

ACCOUNTING POLICIES

Assets in the course of construction are included at cost and will be depreciated to their estimated residual values over their expected useful lives on a straight-line basis once the asset is available for use. Freehold land is included at cost and not depreciated. An assessment is made at each reporting date of whether there are any indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the recoverable amount of the asset is estimated. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments in the Statement of Financial Activities.

INTANGIBLE FIXED ASSETS

Intangible fixed assets are amortised to their estimated residual values over their expected useful lives on a straight-line basis. Items over £3,000 are capitalised.

Computer Software

3 - 5 years

Assets in the course of construction are included at cost and will be amortised to their estimated residual values over their expected useful lives on a straight-line basis once the asset is available for use. An assessment is made at each reporting date of whether there are any indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the recoverable amount of the asset is estimated. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments in the Statement of Financial Activities.

STOCKS

Inventory takes the form of both materials to be consumed in the rendering of services and assets held for sale in the ordinary course of business (farm livestock). Materials consumed in the rendering of services is measured at the lower of cost and estimated selling price less costs to complete and sell. Farm livestock is measured at fair value. The classes of farm livestock are cattle and sheep, and the fair value is determined by an independent valuer following inspection.

	Fair value as at 01/04/24 £'000	Sales £'000	Purchases £'000	Gain/Loss on revaluation £'000	Fair value as at 31/03/25 £'000
Cattle	333	-	130	87	550
Sheep	52	-	-	3	55
	385	-	130	90	605

Gains or losses on revaluation of livestock are taken to the statement of financial activities and recorded against expenditure.

INVESTMENTS

Unlisted investments are carried at directors' estimate of fair value as at the Balance Sheet date, and any gains or losses taken to the Statement of Financial Activities.

SOCIAL INVESTMENTS

Mixed motive social investments are made in the form of concessionary loans. Concessionary loans which have been converted in the financial year to equity are carried at directors' estimate of fair value as at the Balance Sheet date, and any gains or losses taken to the Statement of Financial Activities. Concessionary loans which have not converted are measured at the amount paid in the form of loan, including interest accrued and after impairment, where applicable.

INVESTMENTS IN GROUP UNDERTAKINGS

Investments in group undertakings are stated at cost less impairment, where relevant, as these represent shareholdings in unlisted companies.

Rothamsted Research Limited

ACCOUNTING POLICIES

FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustee-Directors in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustee-Directors for particular purposes. The aim and use of each designated fund are 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 Charity for particular purposes. The cost of raising and administering such funds is charged against the specific fund. The aim and use of the restricted funds are set out in the notes to the financial statements.

INCOME

All income except grants is included in the Statement of Financial Activities when the Group or Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Income from grants, including capital grants, is included within income when these are receivable, except as follows:

- When donors specify that grants given to the Charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions, which must be fulfilled before the Charity becomes entitled to use such income, and those conditions are outside the control of the Charity, the income is deferred and not included in income until pre-conditions for use have been met.

When donors specify that grants, including capital grants, are for restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in restricted funds when receivable.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Group or Charity to the expenditure. All expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered, and have been classified under headings that aggregate all costs related to the category.

- Costs of raising funds are those costs incurred in trading activities which raise funds.
- Charitable activities include expenditure associated with scientific research and postgraduate education and training and include both the direct costs and support costs relating to these activities.
- Governance costs include those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Expenditure by the Charity, which is financed by grants from third parties and applied to buildings occupied but not owned by the Group, is capitalised and included within Restricted Funds. The rent-free provision to the Charity of the buildings, on which such expenditure has been applied, is not treated as a donation as it is not possible to place an appropriate value on such arrangements.

OPERATING LEASES

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

PENSION COSTS

Employees who remain on BBSRC contracts are members of the Research Councils' Pension Schemes. These are defined benefit schemes, the finances of which are administered by the BBSRC, and for which separate accounts are published (see Note 9). The pension schemes are administered by the Research Councils' Joint Superannuation Services and the schemes' finances are administered by the BBSRC. Under the definitions set out in FRS 102, the scheme is a multi-employer pension scheme. The Charity is unable to identify its share of the underlying assets and

Rothamsted Research Limited

ACCOUNTING POLICIES

liabilities of the scheme. Accordingly, the Charity has accounted for its contributions to the scheme as if it were a defined contribution scheme. The pension costs represent contributions payable by the Group to the schemes.

Employees with Rothamsted contracts are members of a defined contribution scheme. The amount charged as expenditure represents the contributions payable by the Group in the year and is split between restricted and unrestricted funds based on how the individual is funded.

REDUNDANCY COSTS

A liability is recognised for redundancy where the charity is demonstrably committed to terminating the employment of an employee or to provide termination benefits. A redundancy payment is charged to the Statement of Financial Activities immediately on recognition at the best estimate of the cost at the reporting date. Where the responsibility for funding the redundancy payment lies with a third party in full or in part the associated income is immediately recognised in the Statement of Financial Activities.

Redundancy payments for employees who remain on BBSRC contracts are linked to severance arrangements under the exit terms outlined in the Civil Service Compensation Scheme Terms (CSCS). These terms cover all agreed exits under Voluntary Redundancy, Compulsory Redundancy and Voluntary Exit. Payments are made following a process approved by Joint Superannuation Services (JSS) who administer the CSCS on the charity's behalf.

Redundancy payments for staff employed by the charity under Rothamsted contracts are not funded and are calculated in accordance with statutory provisions.

RESEARCH AND DEVELOPMENT

All research and development costs are written off as incurred.

CHARITABLE STATUS

Rothamsted Research Limited is a registered charity, registration number 802038, and in consequence is exempt from taxation on income arising from and expended on its charitable activities.

FOREIGN CURRENCIES

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of that transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and unrealised and realised gains and losses on translation are included in the Statement of Financial Activities.

FINANCIAL INSTRUMENTS

The Group applies the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all its financial instruments.

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

Financial Assets

Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Such debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of debtors is established when there is objective evidence that the amounts due will not be collected per the original terms of the contract. Impairment losses are recognised as expenditure in the Statement

Rothamsted Research Limited

ACCOUNTING POLICIES

of Financial Activities for the excess of the carrying value of the debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the Statement of Financial Activities.

Concessionary loans are measured at the amount paid, including interest accrued and after impairment, where applicable.

Financial Liabilities

Creditors

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

SIGNIFICANT JUDGEMENTS AND ESTIMATES

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.

Key sources of estimation uncertainty include:

Income from grants for scientific research is recognised using one of three methods depending on the specific conditions of the individual research grant award. These three methods are milestone, expenditure led or straight line.

For milestone grants specific milestones are used to determine entitlement to income and should an invoice have not been raised this will be included as a debtor (accrued income).

For straight line grants, there are implicit time conditions within the grant agreement which, in the absence of specific milestones are used to determine entitlement. In these instances, the duration elapsed is deemed a reliable estimate for entitlement to receive payment for work/service/delivery performed. Should actual income received exceed this amount the excess is included as a creditor (deferred income) and should actual income received be less than the entitlement amount this is included as a debtor (accrued income).

For expenditure led grants, in the absence of specific milestones or implicit time conditions to determine entitlement, income is recognised to the extent that resources have been committed to the specific project, as this is deemed to be a reliable estimate of the right to receive payment for the work performed. In this case, cash received in excess of expenditure is included as a creditor (deferred income) and expenditure in excess of cash included as a debtor (accrued income).

The methodology applied to each grant will impact the income recognised in the Statement of Financial Activities and therefore is an important estimate in the context of these financial statements.

Grants received for capital expenditure are included in the Statement of Financial Activities when the Group is entitled to receipt, whereas the depreciation on those grant-funded capital assets is reflected in the Statement of Financial Activities over the useful economic lives of those assets as stated above. The depreciation cost (included in note 10) is significant to the result as shown in the financial statements and, accordingly, the expected useful lives are an important estimate in the context of these financial statements.

Certain buildings are included as fixed assets in these financial statements when the land is owned by The Lawes Agricultural Trust (LAT). Under the terms of the bare licence between LAT and the Charity, the Charity has

Rothamsted Research Limited

ACCOUNTING POLICIES

unencumbered usage of these buildings and the trustee-directors are confident that the Institute will retain a legal right to occupy the land and buildings for the foreseeable future. They are therefore included within fixed assets.

The fair value of unlisted and social investments has been determined as follows.

- Level 1: The unadjusted quoted price in an active market for identical investments that the directors can assess at the measurement date.
- Level 2: Where an active market does not exist, and the investment is held in a company which has generated revenue for three years the proportional share of the net assets held or a multiple of revenue/earnings methodology is to be used.
- Level 3: Where an active market does not exist and the company does not have three years revenue generation, the latest share price based on a sale of existing holdings (*).
- Level 4: Where an active market does not exist, the company does not have three years revenue generation and there has been no sale of existing holdings, the post money price from the most recent fundraising round (*).
- Level 5: Where none of the conditions above are met a fair value can't be measured reliably and so the investment is measured at its cost less impairment.

(*) Given the early stage of the investments, the lack of liquidity of the shares and the absence of measurable key performance indicators under Levels 3 and 4 a base discount factor is applied as follows:

Level 3:	
Sale of holdings between existing and new party	0%
Sale of holdings between existing shareholders	20%
Level 4:	
Raising new capital	20%

After application of the base discount each individual investment within Levels 3 and 4 is assessed as to whether it is performing at, above or below expectations which includes an assessment of cash runway, cash burn, the likelihood, timing and pricing of a further fundraising round and market acceptance of the product. The performance discount factor is applied on a sliding scale as follows:

	RAG Status	Performance Discount factor
No concern on performance – performing above expectations	Green	0%
Some concern on performance – performing at expectations	Amber	15%
Significant concern on performance – performing below expectations	Red	30%
Expected failure	n/a	100%

Rothamsted Research Limited

ACCOUNTING POLICIES

The assessed fair value of the investments held by level are as follows:

	Unlisted investments	Social investments	Total investments
	£'000	£'000	£'000
Level 1	-	-	-
Level 2	277	-	278
Level 3	-	-	-
Level 4	-	1,495	1,495
Level 5	-	-	-
	277	1,495	1,772

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

1	TRADING INCOME GROUP	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000	Total 2025 £'000	Total 2024 £'000
	Consultancy	124	66	-	-	124	66
	Royalties	1	205	-	-	1	205
	Rental Income	55	46	-	-	55	46
	Back Office	124	135	-	-	124	135
	Scientific services(ROSS)	504	201	-	-	504	201
	Other	15	17	-	-	15	17
		823	670	-	-	823	670

	TRADING INCOME CHARITY	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000	Total 2025 £'000	Total 2024 £'000
	Consultancy	124	66	-	-	124	66
	Royalties	1	205	-	-	1	205
	Rental Income	55	46	-	-	55	46
	Back Office	124	135	-	-	124	135
	Other	15	17	-	-	15	17
		319	469	-	-	318	469

2	INVESTMENT INCOME	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000	Total 2025 £'000	Total 2024 £'000
	GROUP AND CHARITY						
	Dividend income	22	28	-	-	22	28
	Interest receivable	357	464	-	-	357	464
		379	492	-	-	379	492

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

3 CHARITABLE ACTIVITIES

Total income from charitable activities is analysed as follows:

GROUP AND CHARITY	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000	Total 2025 £'000	Total 2024 £'000
Strategic Funding	-	-	11,798	11,562	11,798	11,562
Competitive Project Grant	-	-	2,303	3,154	2,303	3,154
Strategic Hires	-	-	-	2	-	-
Institute Development grant	-	-	-	-	-	-
Capital Equipment	-	-	2,764	10,514	2,764	10,514
Capital maintenance	-	-	-	449	-	449
Redundancy Funding	-	-	-	-	-	-
Energy supplement grant	-	-	72	865	72	865
Resource Grant Funding	2,467	3,497	-	2	2,467	3,497
TOTAL BBSRC	2,467	3,497	16,937	26,544	19,404	30,041
DEFRA	-	-	463	696	463	696
Other Government Departments / Public Sector:						
- Other Research Councils	-	15	1,995	1,809	1,995	1,824
- Other Government Depts	-	35	1,649	1,572	1,649	1,607
European Union	-	-	144	352	144	352
Industry	1,550	838	-	-	1,550	838
Trusts, Foundations, Charities	-	58	746	676	746	734
SHAKE Climate	-	-	-	-	-	-
Income from Farm Operations	586	646	-	-	586	646
ERDF	-	-	-	-	-	-
Postgraduate Education and Training	-	-	297	413	297	413
Open Access Funding (RCUK)	-	-	(62)	62	(62)	62
Income from H&CE	413	638	-	-	413	638
Recharges to Related Parties	557	564	-	-	557	564
Miscellaneous income	309	142	-	-	309	142
TOTAL NON-BBSRC	3,415	2,936	5,232	5,580	8,647	2,936
TOTAL INCOME	5,882	6,433	22,169	32,124	28,051	38,557

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

4 INCOME

GROUP	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000	Total 2025 £'000	Total 2024 £'000
Analysis of income by geographical region:						
Domestic Customers (UK)	5,166	5,806	22,169	32,124	27,335	37,930
EU Customers	712	529	-	-	712	529
Non - EU Customers	1,206	1,260	-	-	1,206	1,260
	7,084	7,595	22,169	32,124	29,253	39,719

CHARITY	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000	Total 2025 £'000	Total 2024 £'000
Analysis of income by geographical region:						
Domestic Customers (UK)	4,680	5,616	22,169	32,124	26,849	37,740
EU Customers	701	529	-	-	701	529
Non - EU Customers	1,198	1,249	-	-	1,198	1,249
	6,579	7,394	22,169	32,124	28,748	39,518

5	COST OF RAISING FUNDS	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000	Total 2025 £'000	Total 2024 £'000
	GROUP						
	Consultancy	13	8	-	-	13	8
	Cost of sales	475	179	-	-	475	179
		488	187	-	-	488	187
	CHARITY	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000	Total 2025 £'000	Total 2024 £'000
	Consultancy	13	8	-	-	13	8

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

6a EXPENDITURE ON CHARITABLE ACTIVITIES

	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
<u>Scientific research</u>				
Direct	23,418	22,816	23,418	22,816
Other	5,472	5,080	5,472	5,080
Support	4,434	5,132	4,434	5,132
	33,324	33,028	33,324	33,028
<u>Post graduate education & training</u>				
Direct	267	328	267	328
Other	-	-	-	-
Support	50	73	50	73
	317	401	317	401
<u>Total</u>				
Direct	23,685	23,144	23,685	23,144
Other	5,472	5,080	5,472	5,080
Support	4,484	5,205	4,484	5,205
	33,641	33,429	33,641	33,429
<u>Unrestricted</u>				
Direct	-	608	-	608
Other	-	8	-	8
Support	4,484	5,205	4,484	5,205
	4,484	5,821	4,484	5,821
<u>Restricted</u>				
Direct	23,685	23,143	23,685	23,143
Other	5,472	4,465	5,472	4,465
Support	-	-	-	-
	29,157	27,608	29,157	27,608
<u>Total</u>				
Direct	23,685	23,751	23,685	23,751
Other	5,472	4,473	5,472	4,473
Support	4,484	5,205	4,484	5,205
	33,641	33,429	33,641	33,429

Direct costs £23,685k (2024: £23,751k) for the Group and £23,685k (2024: £23,751k) for the Charity are those associated with providing the activity, such as laboratory supplies. Other costs of £5,472k (2024: £4,473k) include indirect costs relating to premises and equipment. Support costs are detailed in Note 6b.

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

6b) SUPPORT COSTS

The Group and Charity allocate support costs as shown in the table below. Support costs are allocated on a basis consistent with the use of expenditure.

GROUP AND CHARITY

	Scientific research £'000	Postgraduate education and training £'000	Total 2025 £'000	Total 2024 £'000
Commercial and Finance	760	9	769	644
Human Resources	504	6	510	480
Computing Service	228	3	231	226
Institute Management	947	10	957	1,130
Other administration	1,194	13	1,207	1,696
Science Facility Service	605	7	612	848
Governance	196	2	198	181
	4,434	50	4,484	5,205

An analysis of the comparative 2023/24 support costs are as follows:

GROUP AND CHARITY

	Scientific research £'000	Postgraduate education and training £'000	Total 2024 £'000
Commercial and Finance	635	9	644
Human Resources	473	7	480
Computing Service	223	3	226
Institute Management	1,114	16	1,130
Other administration	1,672	24	1,696
Science Facility Service	836	12	848
Governance	179	2	181
	5,132	73	5,205

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

7	GOVERNANCE COSTS	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000	Total 2025 £'000	Total 2024 £'000
	GROUP AND CHARITY						
	Audit fee	107	51	-	-	107	51
	Technical support	91	92	-	-	91	92
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		198	143	-	-	198	143
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

8	NET (EXPENDITURE) INCOME IS STATED AFTER CHARGING/(CREDITING) THE FOLLOWING:	Group 2025 £'000	Charity 2025 £'000	Group 2024 £'000	Charity 2024 £'000
	Auditor's remuneration – audit services – parent (current year)	49	49	46	46
	Auditor's remuneration – audit services – parent (prior year)	46	-	6	6
	Auditor's remuneration – audit services - subsidiary	6	-	5	-
	Auditor's remuneration – assurance services – (grant audit)	15	15	12	12
	Auditor's remuneration – taxation compliance	6	3	6	3
	Depreciation	3,243	3,243	3,455	3,455
	Amortisation	175	175	260	260
		<hr/>	<hr/>	<hr/>	<hr/>

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

9 STAFF COSTS AND NUMBERS	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000	Total 2025 £'000	Total 2024 £'000
GROUP AND CHARITY						
Salaries and wages	6,074	5,343	8,840	8,835	14,914	14,178
Social security costs	579	512	875	846	1,454	1,358
Other pension costs	793	765	1,306	1,266	2,099	2,031
Redundancy costs	25	13	5	-	30	13
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	7,471	6,633	11,026	10,947	18,497	17,580

The average number of persons employed by category was:

	Group Total 2025 No.	Charity Total 2025 No.	Group Total 2024 No.	Charity Total 2024 No.
Science staff	274	274	267	267
Technical and administrative staff	102	102	106	106
	<hr/>	<hr/>	<hr/>	<hr/>
	376	376	373	373
	<hr/>	<hr/>	<hr/>	<hr/>

The average number of persons (full time equivalent) employed by category was:

Science staff	258	258	254	254
Technical and administrative staff	95	95	100	100
	<hr/>	<hr/>	<hr/>	<hr/>
	353	353	354	354
	<hr/>	<hr/>	<hr/>	<hr/>

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

9 STAFF COSTS AND NUMBERS (continued)

The number of staff with emoluments greater than £60,000, all of whom were accruing pension benefits, was:

	Group Total 2025	Charity Total 2025	Group Total 2024	Charity Total 2024
£60,000 - £69,999	16	16	14	14
£70,000 - £79,999	6	6	3	3
£80,000 - £89,999	1	1	-	-
£90,000 - £99,999	3	3	3	3
£100,000 - £109,999	3	3	5	5
£110,000 - £119,999	3	3	3	3
£140,000 - £149,999	1	1	-	-
£150,000 - £159,999	1	1	1	1
	34	34	29	29

Remuneration for 13 key management personnel (Trustees and executive team), was £1,386k, including employer's national insurance and pension contributions (2024: £1,296k, 10 employees).

In addition to the above and under the amended Articles of Association approved by Special Resolution on 10 December 2013, the Charity is authorised to remunerate its Chairman, and in the year ended 31 March 2025 paid an honorarium of £10,932 (2024: £10,932). Other trustees received £Nil (2024: £Nil).

5 Directors (2024: 2) claimed or were reimbursed a total of £2k (23/24 £2k) for travel expenses.

Charity staff employed prior to the change in governance are BBSRC employees who are subject to BBSRC terms and conditions of service and are appointed by the Charity under delegated powers. Although the legal liability for employment rested with the BBSRC through to 31 March 2021, the Charity is expected to meet all staff costs arising from normal activities.

Ex BBSRC staff employed by Rothamsted Research Ltd are members of the Research Councils' Pension Schemes (RCPS), which are funded on a pay-as-you-go basis principally through employer and employee contributions and annual Grant-in-Aid. The pension schemes are by analogy to the Principal Civil Service Pension Scheme (PCSPS), except that the schemes, which are defined benefit schemes and provide retirement and related benefits on final emoluments, redundancy and injury benefits are administered and funded by the Research Councils. The pension schemes are administered by the Research Councils' Joint Superannuation Services and the schemes' finances are administered by the BBSRC. Under the definitions set out in Financial Reporting Standard 102 the schemes are a multi-employer pension scheme. The Charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the Charity has taken advantage of the exemption of FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

For 2024/25, the Group paid £1,029k (2024: £1,042k) in employer's contributions into the scheme. A separate Research Councils' Pensions Schemes Account published for the year ended 31 March 2025 contain further disclosure of information as required under the relevant accounting standard. The total net liability as at 31 March 2025 was £4,185m (2024: £4,091m). The Group expects to pay £1,005k in respect of RCPS and £1,969k in respect of the defined contribution scheme in employer's contributions in 2025/26.

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

Staff employed since 1 April 2012 are members of a defined contribution scheme, as noted on page 4. Group contributions made in 2024/25 amounted to £1,964k (2024: £1,635k), and accrued contributions at 31 March 2025: £156k (2024: £156k).

In the year, the Charity paid £11k in premiums for Professional Indemnity Insurance (2024: £11k).

10	TANGIBLE FIXED ASSETS	Land & Buildings	Asset Under Construction	Plant and machinery	Fixtures, fittings and vehicles	Total
	GROUP AND CHARITY	£'000	£'000	£'000	£'000	£'000
	Cost:					
	As at 1 April 2024	75,942		44,561	8,020	128,523
	Additions	218	4,777	-	-	4,995
	Transfer	243	(4,777)	4,137	59	(338)
	As at 31 March 2025	<u>76,403</u>	<u>-</u>	<u>48,698</u>	<u>8,079</u>	<u>133,180</u>
	Accumulated depreciation:					
	As at 1 April 2024	35,457	-	20,422	5,888	61,767
	Charge for the year	<u>1,473</u>	<u>-</u>	<u>1,558</u>	<u>212</u>	<u>3,243</u>
	As at 31 March 2025	<u>36,930</u>	<u>-</u>	<u>21,980</u>	<u>6,100</u>	<u>65,010</u>
	Net book value:					
	As at 31 March 2025	<u>39,473</u>	<u>-</u>	<u>26,718</u>	<u>1,979</u>	<u>68,170</u>
	As at 31 March 2024	<u>40,485</u>	<u>-</u>	<u>24,139</u>	<u>2,132</u>	<u>66,756</u>

The freehold interest in the land and buildings at the Company's main operating site, (Rothamsted, Harpenden, Hertfordshire) is held by Lawes Agricultural Trust (LAT). There is no written agreement for the occupation of this site and no rent is charged to the Company by LAT. As the Charity has unencumbered usage of these buildings, they are reported as fixed assets above. The trustee-directors are confident that the Institute will retain a legal right to occupy the land and buildings for the foreseeable future. The Lawes Agricultural Trust, a related party as disclosed in note 19.

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

11 INTANGIBLE FIXED ASSETS GROUP AND CHARITY

	Software £'000	Total £'000
Cost:		
As at 1 April 2024	1,304	1,304
Additions	14	14
As at 31 March 2025	1,318	1,318
Accumulated amortisation:		
As at 1 April 2024	1,130	1,130
Charge for the year	174	174
As at 31 March 2025	1,304	1,304
Net book value:		
As at 31 March 2025	14	14
As at 31 March 2024	174	174

12 INVESTMENTS

GROUP AND CHARITY	Unlisted investments £'000	Total £'000
Historical cost	101	101
Valuation		
As at 1 April	499	499
Unrealised gain	(221)	(221)
Value:		
As at 31 March 2025	278	278
As at 31 March 2024	499	499

The unlisted investments relate to the following holdings:

The Company owns 2,833 £0.01 ordinary shares in VSN International Limited, a 15.57% shareholding (2024: 2,833 £0.01 ordinary shares, a 15.57% shareholding).

Investments are held at the Directors' estimate of fair value. The determination of fair value is contained within the accounting policies note, under significant judgements and estimates.

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

12 INVESTMENTS (continued)

The Charity held the following shares in subsidiary undertakings at 31 March 2025:

	Shares held Class	%	Capital and Reserves £	Country of Incorporation
Rothamsted Research Holdings Limited (dormant)	Ordinary	100	-	England & Wales
Rothamsted International Consulting Limited (dormant)	Ordinary	100	2	England & Wales
Genetic Technologies Limited (dormant)*	Ordinary	100	2	England & Wales
Rothamsted Scientific Services Limited	Ordinary	100	1	England & Wales
Rothamsted Experimental Station Limited (dormant)*	Ordinary	100	1	England & Wales

* held indirectly via Rothamsted Research Holdings Limited.

The registered office of these undertakings is Rothamsted Research Limited, Harpenden, Hertfordshire AL5 2JQ.

The results of Rothamsted Scientific Limited, for the year ended 31 March 2025, which are included in the consolidated financial statements, are set out below:

	2025 £'000	2024 £'000
Turnover	504	201
Administrative expenses	(449)	(179)
Taxation	(11)	-
Retained profit for the year	44	22
Net Assets at 1 April	22	-
Net Asset at 31 March	44	22
	2025 £'000	2024 £'000
Being:		
Fixed assets	-	-
Net current assets	194	133
Current Liabilities	(150)	(111)
Net Assets at 31 March	44	22

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

12 INVESTMENTS (continued)

Rothamsted Enterprises Limited as shown below, is a joint venture between Rothamsted Research Limited (40%), the Lawes Agricultural Trust (40%), and the Biotechnology and Biological Sciences Research Council (20%). The Charity owns 40% of the 5 ordinary shares issued. The group's share of the results of the entity for the year ended 31 March 2025 are summarised below. As at 31 March 2025, the group's interest in this entity was valued at £Nil (2024: £Nil) as Rothamsted does not have a legal or constructive obligation to cover the net liabilities of the joint venture.

	2025 £'000	2024 £'000
Turnover	1,037	1,113
Administrative expenses	(1,129)	(1,064)
Retained profit/(loss)for the year	(91)	(49)
Net (liabilities) at 1 April	(50)	(99)
Net liabilities at 31 March	(141)	(50)
	2025 £'000	2024 £'000
Being:		
Fixed assets	3,221	3,439
Net current assets	(72)	126
	3,149	3,565
Liabilities greater than one year	(3,290)	(3,615)
Net liabilities at 31 March	(141)	(50)

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

12 INVESTMENTS (continued)

Concessionary loans are granted for an initial term of 12 months with interest of 5% per annum. Each loan automatically converts into shares in the event of default or if the purpose of the loan can no longer be effectively furthered. Otherwise, the loans are convertible at the Charity's option any time after the initial 12-month term. As at 31 March 2025, 11 loans totalling £1,460k have been made of which 9 have been converted and 2 remain as convertible loans though been impaired to zero value.

GROUP AND CHARITY	Equity Holdings £'000	Convertible loan £'000	Total Social Investments £'000
Historic cost	660	800	1,460
Value as at 1 April	1,548	140	1,688
Unrealised gain	(53)	(140)	(193)
Value as at 31 March 2025	<u>1,495</u>	<u>-</u>	<u>1,495</u>
Net Book Value:			
As at 31 March 2025	<u>1,495</u>	<u>-</u>	<u>1,495</u>
As at 31 March 2024	<u>1,548</u>	<u>140</u>	<u>1,688</u>

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

13	DEBTORS	Group 2025 £'000	Charity 2025 £'000	Group 2024 £'000	Charity 2024 £'000
	Due within one year				
	Trade debtors	2,804	2,719	1,326	1,326
	Other debtors	184	184	35	35
	Prepayments and accrued income	4,782	4,836	4,366	4,366
	VAT recoverable	-	-	81	81
	Due from subsidiary undertaking	92	92	37	37
	Due from joint venture – due in one year	278	278	298	298
		<u>8,140</u>	<u>8,109</u>	<u>6,143</u>	<u>6,068</u>
	Other debtors due after one year				
	Due from joint venture	200	200	200	200
		<u>8,340</u>	<u>8,309</u>	<u>6,343</u>	<u>6,268</u>

Prepayments include £1,071k which relate to projects than span multiple years (2024: £925k)

14	CREDITORS: Amounts falling due within one year	Group 2025 £'000	Charity 2025 £'000	Group 2024 £'000	Charity 2024 £'000
	Trade creditors	1,756	1,756	1,233	1,233
	Payroll creditor	271	271	245	245
	Other taxes and social security	461	450	352	352
	Other creditors	-	-	5	-
	Accruals	1,338	1,308	1,669	1,660
	Due to joint Venture	46	46	16	16
	Deferred income (see note 15)	389	371	682	620
		<u>4,261</u>	<u>4,202</u>	<u>4,202</u>	<u>4,126</u>

15	DEFERRED INCOME represents grant income received in advance of expenditure. The movement can be analysed as follows:	Group 2025 £'000	Charity 2025 £'000	Group 2024 £'000	Charity 2024 £'000
	Opening balance	682	620	887	887
	Amounts deferred during the year	389	371	682	620
	Release of amounts previously deferred	(682)	(620)	(887)	(887)
		<u>389</u>	<u>371</u>	<u>682</u>	<u>620</u>

Rothamsted Research Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2025

16 FUNDS

	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000	Total 2025 £'000	Total 2024 £'000
GROUP						
Funds as at 31 March	17,862	15,946	62,336	69,517	80,198	85,463
Funds balances are represented by:						
Fixed assets	11,467	10,237	58,490	58,879	69,957	69,116
Current assets	9,053	8,083	5,419	12,466	14,472	20,549
Current liabilities	(2,658)	(2,374)	(1,573)	(1,828)	(4,231)	(4,202)
	17,862	15,946	62,336	69,517	80,198	85,463

	Unrestricted 2025 £'000	Unrestricted 2024 £'000	Restricted 2025 £'000	Restricted 2024 £'000	Total 2025 £'000	Total 2024 £'000
CHARITY						
Funds as at 31 March	17,788	15,927	62,336	69,517	80,124	85,444
Funds balances are represented by:						
Fixed assets	11,433	10,237	58,524	58,879	69,957	69,116
Current assets	8,921	7,988	5,448	12,466	14,369	20,454
Current liabilities	(2,566)	(2,298)	(1,636)	(1,828)	(4,202)	(4,126)
	17,778	15,927	62,336	69,517	80,124	85,444

GROUP – GENERAL FUNDS	2025 £'000	2024 £'000
Balance brought forward	15,946	13,647
Net income (expenditure)	1,166	1,708
Released from designated funds	750	-
Transfer from restricted funds	-	591
Balance carried forward	17,862	15,946

CHARITY – GENERAL FUNDS	2025 £'000	2024 £'000
Balance brought forward	15,927	13,650
Net income (expenditure)	1,111	1,686
Designated in year	-	-
Released from designated funds	750	-
Transfer from restricted funds	-	591
Balance carried forward	17,788	15,927

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

	2025 £'000	2024 £'000
DESIGNATED ESTATE REBUILD FUND		
GROUP AND CHARITY		
Balance brought forward	750	750
Designated in the year	-	-
Released in the year	(750)	-
	<u> </u>	<u> </u>
Balance carried forward	-	750
	<u> </u>	<u> </u>

£750k of the designated fund relates to funds set aside by the trustee-directors for the transformation of Rothamsted and has been released in 2024/25 to support with the restructuring project.

GROUP AND CHARITY RESTRICTED	1 April 2024 £'000	Income £'000	Expenditure £'000	Gains, Losses & Transfers £'000	31 March 2025 £'000
Capital fund	62,616	1,079	(7,900)	-	55,795
Estate Rebuild fund	656	-	-	-	656
Open Access fund(RCUK)	18	59	(59)	-	18
Shake Climate Change	1,422	447	78	(193)	1,754
BBSRC Resource Grant	-	11,794	(11,158)	-	636
RI fellows	66	10	-	-	76
Transformation award	2,253	-	(1,697)	-	556
Restricted Projects	1,172	8,195	(8,381)	-	986
.Capital funded from Competitive Restricted Funding	790	-	-	-	790
.Capital funded from Strategic Restricted Funding	475	585	(40)	-	1,020
Energy Supplement Grant	49	-	-	-	49
	<u>69,517</u>	<u>22,169</u>	<u>(29,157)</u>	<u>(193)</u>	<u>62,336</u>

The Capital fund principally represents funding received, largely from the BBSRC, for the acquisition of tangible fixed assets. These assets are built on land that is not owned by the Institute. It represents the net book value of such fixed assets.

The Estate Rebuild fund represents funding received from the BBSRC in respect of ensuring the long-term sustainability of the Institute's estate facilities.

The Open Access fund represents funding received from the UKRI, in respect of the RCUK requirement for publications to be openly available on a publisher's site.

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

SHAKE climate change is a programme which helps entrepreneurs and start ups who are combating climate change. In accordance with the Institute Standard Conditions of Grant it has become required to place all grant award payments from the BBSRC in relation to ISP's in a restricted reserve called BBSRC resource grant.

RI fellows funds are used to make awards to scientists from developing and emerging countries worldwide to conduct research into agriculture in developing countries.

The transformation award is monies received towards the overall Transformation Project.

Two restricted funds were created in the year ended 31st March 2022. Competitive Restricted Fund against which all competitive award activity is charged, and the Strategic Restricted Fund for capital items purchased from restricted strategic awards.

The Energy Supplement grant relates to support payments made to offset inflationary effect of energy costs arising from the Ukraine war.

An analysis of the comparative 2023/24 restricted fund movements follows:

GROUP AND CHARITY RESTRICTED	1 April 2023 £'000	Income £'000	Expenditure £'000	Gains, losses & Transfers £'000	31 March 2024 £'000
Capital fund	56,006	10,347	(3,146)	(591)	62,616
Estate Rebuild fund	2,000	-	-	(1,344)	656
Open Access fund(RCUK)	19	62	(62)	-	18
Shake Climate Change	1,731	-	(88)	(221)	1,422
BBSRC Resource Grant	71	11,562	(11,562)	(107)	-
RI fellows	66	-	-	-	66
Institute Development Grant	120	-	(120)	-	-
Transformation award	2,876	-	(1,967)	1,344	2,253
Restricted Projects	2,049	8,672	(9,577)	28	1,172
Competitive Restricted Fund	711	-	-	79	750
Strategic Restricted Funding	56	616	(197)	-	475
Restricted Energy supplement grant	109	865	925)	-	49
	<u>65,813</u>	<u>32,124</u>	<u>(27,608)</u>	<u>(812)</u>	<u>69,517</u>

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

17	RECONCILIATION OF GROUP NET INCOME FOR THE YEAR TO NET CASH (USED IN) OPERATIONS	2025 £'000	2024 £'000
	Net income for the year	(5,265)	6,003
	Adjustments for:		
	Depreciation of tangible fixed assets	3,243	3,455
	Amortisation of intangible fixed assets	174	260
	Dividends, interest and rents from investments	(379)	(492)
	Loss on investments	415	100
	Capital Grants	(2,764)	(10,963)
	Operating cash flows before movements in working capital	<u>(4,576)</u>	<u>(1,637)</u>
	(Increase) decrease in stocks	(75)	91
	(Increase) decrease in debtors	(1,997)	1,597
	Increase (decrease) in creditors	29	(4,239)
		<u>(2,043)</u>	<u>(2,551)</u>
	Cash (used in) operating activities	<u><u>(6,621)</u></u>	<u><u>(4,188)</u></u>

Rothamsted Research Limited

INCOME AND EXPENDITURE ACCOUNTS

for the year ended 31 March 2025

18 RECONCILIATION OF CHARITY NET INCOME/ (EXPENDITURE) FOR THE YEAR TO NET CASH (USED IN) OPERATIONS	2025 £'000	2024 £'000
Net income / (expenditure) for the year	(5,320)	5,981
Adjustments for:		
Depreciation of tangible fixed assets	3,243	3,455
Amortisation of intangible fixed assets	174	260
Dividends, interest and rents from investments	(379)	(492)
Loss on investments	415	100
Capital grants	(2,764)	(10,963)
	<hr/>	<hr/>
Operating cash flows before movements in working capital	(4,631)	(1,659)
(Increase) decrease in stocks	(75)	91
(Increase) decrease in debtors	(2,041)	1,673
Increase (decrease) in creditors	76	(4,313)
	<hr/>	<hr/>
	(2,040)	(2,549)
	<hr/>	<hr/>
Cash used in operations	(6,671)	(4,208)
	<hr/> <hr/>	<hr/> <hr/>

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

19 RELATED PARTY TRANSACTIONS

As explained in the Trustees' Report (incorporating the Strategic Report), LAT and BBSRC are members of the charitable company and, accordingly, are considered related parties. BBSRC funds scientific research and equipment purchases for the Institute. Note 9 of the financial statements explains the staffing arrangements between BBSRC and the Charity. Land and buildings at North Wyke, Devon are owned by the Biotechnology and Biological Sciences Research Council and occupied by the Charity under a formal lease and at a peppercorn rent. LAT also funds scientific research through grants to the Institute. LAT provides student accommodation to RRes. Details of the agreements regarding the Charity's use of buildings owned by LAT are set out in Note 10, which are currently rent free. Sir John Beddington was the Chairperson of the Board. UKCEH hosted a non-executive member of the Board.

RRes provides back office support, site support and scientific services to REL, LAT, UKRI-BBSRC, SugaRox and PheroSyn.

Transactions with related parties

During the year the company entered into the following transactions with related parties which are reported on an as invoiced basis.

	2025 £'000	2024 £'000
Rothamsted Enterprises:		
Sales transactions	512	333
Purchase transactions	249	201
Lawes Agricultural Trust:		
Sales transactions	1,061	911
Purchase transactions	3	21
UKRI-BBSRC:		
Sales transactions	18,755	29,705
Purchases transactions	43	23
Rothamsted Scientific Services:		
Sales transactions	385	227
Purchase transactions	-	-
LAT Redbourn:		
Sales transactions	19	15
Purchase transactions	-	-
SugaRox:		
Sales transactions	8	41
Purchase transactions	-	-
Sir John Beddington		
Sales transactions	-	-
Purchase transactions	11	11
UKCEH		
Sales transactions	7	7
Purchase transactions	-	-
UKCEH		
Sales transactions	-	-
Purchase transactions	2	-

Rothamsted Research Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

Amounts due to related parties

	2025 £'000	2024 £'000
Rothamsted Enterprises	46	16
Lawes Agricultural Trust	9	-
	<u>55</u>	<u>16</u>

Amounts due from related parties

	2025 £'000	2024 £'000
Rothamsted Enterprises	258	298
REL (working capital loan)	200	200
Rothamsted Scientific Services	92	37
Lawes Agricultural Trust	76	
UKRI/BBRSC	72	
LAT Redbourn Limited	5	2
PheroSyn	-	140
KnetMiner	20	-
	<u>723</u>	<u>677</u>

20 CONTINGENT LIABILITIES

Under the terms of the contract between the Charity and the Biotechnology and Biological Sciences Research Council, should certain fixed assets be sold, a proportion of the proceeds might become payable by the Charity to the Research Council. No such liability exists at 31 March 2025 (2024: £Nil).

21 FINANCIAL INSTRUMENTS

	Group 2025 £'000	Charity 2025 £'000	Group 2024 £'000	Charity 2024 £'000
Financial assets held at fair value	<u>1,772</u>	<u>1,772</u>	<u>726</u>	<u>726</u>

22 SIGNIFICANT POST BALANCE SHEET EVENTS

There were no significant post balance sheet events.