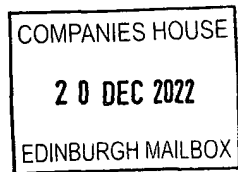


Charity Registration No. SC023592 (Scotland)

Company Registration No. SC157100 (Scotland)



**ROSLIN FOUNDATION**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**



# ROSLIN FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Professor J R Brown (Chairman) Mr B W Gellatly Mr M Bateman (Appointed 6 April 2022) Mr A P Bamford (Appointed 30 March 2022) Dr S E Foden (Appointed 30 March 2022) Dr S C Hardy (Appointed 30 March 2022) Ms A Glennie (Appointed 30 March 2022) Prof A L Archibald (Appointed 30 March 2022)
<b>Secretary</b>	WJM Secretaries Limited
<b>Charity number (Scotland)</b>	SC023592
<b>Company number</b>	SC157100
<b>Registered office</b>	Wright, Johnston & Mackenzie LLP The Capital Building 12/13 St. Andrew Square Edinburgh United Kingdom EH2 2AF
<b>Auditor</b>	Johnston Carmichael LLP 227 West George Street Glasgow G2 2ND
<b>Bankers</b>	The Royal Bank of Scotland Drummond House 1 Redheughs Avenue Edinburgh EH12 9JN
<b>Solicitors</b>	Wright, Johnston & Mackenzie LLP 302 St Vincent Street Glasgow G2 5RZ
<b>Investment advisors</b>	Cazenove Capital 1 London Wall Place London EC2Y 5AU

# **ROSLIN FOUNDATION**

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# **ROSLIN FOUNDATION**

## **TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022**

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The trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and "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)".

### **Objectives and activities**

The Foundation is an independent charity whose aim is to support research and business development in the field of animal biosciences as it relates to agriculture and biomedicine.

To achieve this we invite applications for funding from relevant organisations, principally The Roslin Institute, part of the University of Edinburgh, a scientific research centre focussed on the health and welfare of animals, which has close links with the Foundation. Applications for funding are reviewed at board meetings, and if funding is awarded, the recipient is required to update progress at future meetings.

This year due to Covid-19 restricting activities for many organisations, including The Roslin Institute, the Foundation received few applications for funding, and therefore only one grant has been awarded totalling £115k (2021 - £nil). This brings the total amount of funding awarded by the Foundation to over ten million pounds.

### **Achievements and performance**

Over the last three years the Foundation has continued to support projects into the research of animal health and welfare. During the year Covid-19 has affected many organisations and because of this the Foundation received only one new grant application which was reviewed and approved. This project will continue to report in to the Foundation as it progresses.

The Foundation made one grant award in the year and continues to welcome applications for new funding. The Foundation continues to support ongoing projects into the research of animal health and welfare at The Roslin Institute and regularly receives and reviews updates on progress to ensure their charitable aims are being met.

During the year the Foundation sold its share in Roslin Cell Therapies, trading as Roslin CT and the resulting gain has been accounted for in the Statement of Financial Activities.

### **Financial review**

The Foundation had a surplus for the year of £38,271k, including a gain on disposal of Roslin Cell Therapies of £38,482k (2021 – deficit of £60k) and net assets of £38,750k (2021 - £479k). The results for the year are detailed on pages 8-9 of the financial statements.

The main financial objectives in the year were to minimise the Foundation's operating costs and to safeguard its financial assets. Subsequent to the year end the Trustees have engaged an Investment Manager to responsibly manage the financial assets of the Foundation and provide a steady stream of income to enable the Foundation to make further grant payments and meet its objectives.

### **Reserves policy**

Reserves of the Foundation are held for the furtherance of its charitable objectives as described above. Through their budgeting and financial planning process, the Trustees seek to ensure that the Foundation's operating commitments are met in full and that sufficient cash is generated to permit continuing investment to allow the Foundation to meet its objectives. The trustees consider access to liquidity to be of primary importance and can predict, with a reasonable amount of certainty, the income level for a period of at least year.

The Trustees have reviewed the reserves and risks of the Foundation and concluded that the level of reserves as at 31 March 2022 of £38,750k is adequate for the Foundation to manage its finances and appropriate systems are in place to manage any risks.

# ROSLIN FOUNDATION

## TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

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### *Investment powers and performance*

In accordance with the Foundation's Memorandum and Articles of Association, the Trustees have the power to invest in stocks, shares and investments. The Investment Managers have the ability to purchase stocks, shares and investments on our behalf in order to maintain a steady stream of income to enable the Foundation to meet its objectives.

### *Investments*

Censo Biotechnologies is an associated company of Roslin Foundation. In 2021 Axol BioScience Ltd, an established provider of iPSC-derived cells, media, and characterisation services and Censo Biotechnologies signed a merger agreement. The new entity will become a leading provider of product and service solutions in the iPSC-based neuroscience, immune cell, and cardiac modelling for drug discovery screening markets. Roslin Foundation owns less than 1% of the company's ordinary share capital along with 100,000 preference shares.

### **Risk management**

The Trustees are responsible for the management of risks faced by the Foundation. Detailed consideration of risk is delegated to the Chief Executive Officer (now resigned) and Chief Operating Officer with ultimate responsibility considered by the Trustees. Risks are identified, assessed and controls established. The key controls used by the charity include:

- Formal agendas for, and minuting of, all board meetings;
- Comprehensive strategic planning, budgeting and management accounting;
- Clear authorisation and approval levels for all expenditure.

Subsequent to year end the Foundation have formed an Audit Committee, an Investment Committee and a Scientific Committee to manage risk. Through the risk management processes established by the Foundation, the Trustees are satisfied that the major risks are identified and have been adequately assessed and mitigated where necessary. The key risks facing the charity are typically financial and regulatory.

### *Going concern*

The Foundation has sufficient cash to cover its overheads for a period of at least 12 months from the date on which these accounts have been approved. It only disburses or commits to grants if the funds are available.

After making suitable enquiries, the Trustees have a reasonable expectation that the Foundation has adequate resources to remain in operation for the foreseeable future and have therefore continued to adopt the going concern basis of accounting in preparing the annual financial statements.

### **Covid-19**

Whilst Covid-19 remains a disruption to most businesses the impact on the Foundation has been minimal. Excellent IT provisions have enabled all operations to continue remotely where necessary, and there has been very little impact on our ongoing activities, other than the impact of fewer applications received.

### **Plans for future periods**

The Foundation will continue, as long as financial resources allow, to support research activities in the field of animal biosciences. It is anticipated that there will be ongoing interaction with the Roslin Institute as the trustees are committed to providing ongoing support in line with the objectives of the charity. Subsequent to year end the Trustees are considering supporting several PhD Studentships at the Roslin Institute.

### **Structure, governance and management**

Roslin Foundation is a registered charity and a company limited by guarantee. It is constituted by its Memorandum and Articles of Association. A Board are legally responsible for the overall management and control of the Foundation.

# ROSLIN FOUNDATION

## TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

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The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Professor J R Brown (Chairman)

Mr B W Gellatly

Mr M Bateman

(Appointed 6 April 2022)

Mr A P Bamford

(Appointed 30 March 2022)

Dr S E Foden

(Appointed 30 March 2022)

Dr S C Hardy

(Appointed 30 March 2022)

Ms A Glennie

(Appointed 30 March 2022)

Prof A L Archibald

(Appointed 30 March 2022)

Members of the Board are appointed in accordance with the Memorandum and Articles of Association, following a public recruitment process. The members of the Board, who act as trustees and directors, are all guarantors of the Foundation, of an amount not exceeding £1, during the period of their appointment as trustee and for a year after resignation.

The Board Members act as trustees for the purposes of charities legislation and supervision in Scotland and are directors for the purposes of the Companies Act 2006.

The Board has developed a process for the induction of new trustees which commences prior to their appointment. Interested parties are provided with details of the organisation and have an informal meeting so that they have a better understanding of the Foundation.

The duties of the Board Members are the stewardship of the foundation, public accountability and ensuring an appropriate strategy for the Foundation in the years ahead.

During the year the day-to-day operating activities of the Roslin Foundation were managed by Malcolm Bateman, the Chief Executive Officer. Mr Bateman resigned from this position at the year end and the activities are now the responsibility of Suzy Purcell, the Chief Operating Officer, whose primary reporting relationship is to the Chair of the Board of Trustees.

### *Remuneration of Key Management Personnel*

The trustees set the pay of key management personnel at rates which it believes are competitive within the biosciences sector and make use of benchmarking reporting to achieve this.

### *Equal opportunities*

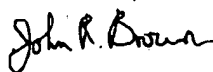
The Foundation is committed to providing full opportunities for the development of the talents of its staff. It is further committed to eliminate discrimination on grounds of gender, marital status, race, colour, ethnic or national origins, age, religious belief, sexual orientation or disability.

### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The trustees' report was approved by the Board of Trustees.



.....  
**Professor J R Brown (Chairman)**

Chairman 16 / 12 / 2022

Dated: .....

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# **ROSLIN FOUNDATION**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### ***FOR THE YEAR ENDED 31 MARCH 2022***

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 the Charities SORP (FRS 102);
- make judgements 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 operation.

The trustees are responsible for keeping adequate 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

# **ROSLIN FOUNDATION**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE TRUSTEES AND MEMBERS OF ROSLIN FOUNDATION**

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#### **Opinion**

We have audited the financial statements of Roslin Foundation (the 'Foundation') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 Foundation's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



# ROSLIN FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES AND MEMBERS OF ROSLIN FOUNDATION

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#### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Foundation and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

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

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, set out on page 4, the trustees, who are also the directors of the Foundation for the purpose 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 Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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.

#### *Extent to which an audit is considered capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, 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.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Foundation, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include UK GAAP, the Charities SORP (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

# ROSLIN FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES AND MEMBERS OF ROSLIN FOUNDATION

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We gained an understanding of how the Foundation is complying with these laws and regulations by making enquiries of management and the trustees. We corroborated these enquiries through our review of submitted regulatory returns and board meeting minutes.

We assessed the susceptibility of the Foundation's financial statements to material misstatement, including how fraud might occur, by meeting with management and trustees to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management and trustees were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and trustees oversee the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk.

The following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- reviewing minutes of meetings of those charged with governance;
- reviewing the level and reasoning behind the Foundation's procurement of any legal and professional services;
- performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, and reviewing judgements made by management in their calculation of accounting estimates for potential management bias.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the Foundation's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Foundation's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Foundation's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Foundation, the Foundation's members as a body and the Foundation's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Scott Jeffrey (Senior Statutory Auditor)**  
**For and behalf of Johnston Carmichael LLP**

**Chartered Accountants**  
**Statutory Auditor**

*26 December 2022.*

.....  
227 West George Street  
Glasgow  
G2 2ND

Johnston Carmichael LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# ROSLIN FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £000	2021 £000
<b><u>Income from:</u></b>			
Investments	3	16	6
Other	4	-	15
<b>Total income</b>		<u>16</u>	<u>21</u>
<b><u>Expenditure on:</u></b>			
Charitable activities	5	<u>227</u>	<u>81</u>
Net gains/(losses) on investments	11	<u>38,482</u>	<u>-</u>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>38,271</b>	<b>(60)</b>
<b>Reconciliation of Funds</b>			
Fund balances at 1 April 2021		<u>479</u>	<u>539</u>
<b>Fund balances at 31 March 2022</b>		<b><u>38,750</u></b>	<b><u>479</u></b>

All funds in the current and prior year are unrestricted.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# ROSLIN FOUNDATION

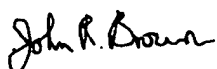
## BALANCE SHEET

AS AT 31 MARCH 2022

		2022		2021	
	Notes	£000	£000	£000	£000
<b>Fixed assets</b>					
Tangible assets	12		4		-
Investments	13		219		219
			<u>223</u>		<u>219</u>
<b>Current assets</b>					
Debtors	14	4		95	
Cash at bank and in hand		38,550		174	
		<u>38,554</u>		<u>269</u>	
<b>Creditors: amounts falling due within one year</b>	15	(27)		(9)	
<b>Net current assets</b>			<u>38,527</u>		<u>260</u>
<b>Total assets less current liabilities</b>			<u><u>38,750</u></u>		<u><u>479</u></u>
<b>The funds of the charity:</b>					
Unrestricted funds			<u>38,750</u>		<u>479</u>
			<u><u>38,750</u></u>		<u><u>479</u></u>

16 / 12 / 2022

The financial statements were approved by the Trustees on .....



.....  
Professor J R Brown (Chairman)  
Trustee

Company Registration No. SC157100

# ROSLIN FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

#### Charity information

Roslin Foundation is a charitable company limited by guarantee incorporated in Scotland. The registered office is Wright, Johnston & Mackenzie LLP, The Capital Building, 12/13 St. Andrew Square, Edinburgh, EH2 2AF, United Kingdom.

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)".

The Foundation is a Public Benefit Entity as defined by FRS 102.

The charity has availed itself of S396 of the Companies Act 2006, as permitted in paragraph 4(1) of Schedule 1 of SI 2008 No 409, and adapted the Companies Act formats to reflect the special nature of the charity's activities.

The financial statements are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for at least the next twelve months. Grants will not be committed to unless the Foundation is in a position to make the required payments and as such expenditure can be controlled by management depending on cash flow requirements. Thus the trustees do not believe there are any material uncertainties and continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

#### 1.4 Income

All income is included in the Statement of Financial Activities (SOFA) when the charity is entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received. The following specific policies are applied to categories of income:

Cash donations are recognised on receipt. Other donations are recognised once the Foundation has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income represents research and grant funding receivable in the year from outside bodies and other miscellaneous and exceptional income.

# ROSLIN FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

(Continued)

Investment income represents interest receivable in the year from deposits and is recognised when the conditions for receipt have been met.

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. Irrecoverable VAT is included where applicable.

Expenditure is recognised on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Support costs represents the necessity of compliance with statutory and constitutional requirements, and any other costs which are not direct charitable expenditure.

Governance costs stated include staff costs, audit fees and Trustees' travel expenses necessary during the period.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

IT equipment	5 to 15 years
Fixtures and fittings	3 to 15 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in net income/ (expenditure) for the year.

#### 1.8 Impairment of fixed assets

At each reporting end date, the Foundation reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

#### 1.10 Financial Instruments

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

# ROSLIN FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, are initially recognised at transaction price.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Foundation's contractual obligations expire or are discharged or cancelled.

#### 1.11 Employee benefits

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

#### 1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

#### 1.13 Research & development

Expenditure on research and development is written off to the Statement of Financial Activities in the year in which it is incurred.

### 2 Critical accounting estimates and judgements

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

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

The following judgements or estimation uncertainties have a significant effect on amounts recognised in the financial statements:

#### **Carrying value of investments**

The trustees annually review the fixed asset investments for indicators that the fixed asset investments are impaired. The trustees consider factors such as the financial and non-financial performance of investments before determining whether an impairment charge is required.

# ROSLIN FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 3 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£000	£000
Interest receivable	16	6

### 4 Other

	Unrestricted funds	Unrestricted funds
	2022	2021
	£000	£000
Other income - management fee	-	15

### 5 Charitable activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£000	£000
Grant commitments	115	-
Share of support costs (see note 7)	68	28
Share of governance costs (see note 7)	44	53
	227	81

### 6 Grants payable

	Unrestricted funds	Unrestricted funds
	2022	2021
	£000	£000
Grants payable	115	-



# ROSLIN FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£000	£000	£000	£000	£000	£000
Staff costs	-	30	30	-	48	48
Depreciation	1	-	1	-	-	-
Other support costs	67	-	67	28	-	28
Audit fees	-	9	9	-	5	5
Other legal costs	-	5	5	-	-	-
	<u>68</u>	<u>44</u>	<u>112</u>	<u>28</u>	<u>53</u>	<u>81</u>
Analysed between						
Charitable activities	<u>68</u>	<u>44</u>	<u>112</u>	<u>28</u>	<u>53</u>	<u>81</u>

### 8 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	£000	£000
Audit of the Foundation's annual accounts	<u>9</u>	<u>5</u>
<b>Non-audit services</b>		
All other non-audit services	<u>5</u>	<u>-</u>

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits or reimbursement of expenses, or had expenses paid on their behalf during the current or prior year.

### 10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Office/management	<u>1</u>	<u>1</u>
<b>Employment costs</b>		
	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	30	47
Social security costs	-	1
	<u>30</u>	<u>48</u>

There were no employees whose annual remuneration was £60,000 or more.

# ROSLIN FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 10 Employees

(Continued)

### 11 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2022 £000	2021 £000
Gain/(loss) on sale of investments	38,482	-
Gain/(loss) on sale of investments is stated after charging/(crediting) the following:		
	£000	
Proceeds from sale	57,723	
Payment to Scottish Enterprise	(19,241)	
Gain on sale of investment	38,482	

### 12 Tangible fixed assets

	IT Equipment £000
<b>Cost</b>	
At 1 April 2021	9
Additions	5
At 31 March 2022	14
<b>Depreciation and impairment</b>	
At 1 April 2021	9
Depreciation charged in the year	1
At 31 March 2022	10
<b>Carrying amount</b>	
At 31 March 2022	4
At 31 March 2021	-

# ROSLIN FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 13 Fixed asset investments

	Other investments £000
<b>Cost or valuation</b>	
At 1 April 2021 & 31 March 2022	219
<b>Carrying amount</b>	
At 31 March 2022	219
At 31 March 2021	219

### 14 Debtors

	2022 £000	2021 £000
<b>Amounts falling due within one year:</b>		
Other debtors	3	94
Prepayments and accrued income	1	1
	4	95

### 15 Creditors: amounts falling due within one year

	2022 £000	2021 £000
Other taxation and social security	1	1
Trade creditors	2	2
Accruals	24	6
	27	9

### 16 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £000	2021 £000
Aggregate compensation	30	48

# ROSLIN FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 16 Related party transactions

(Continued)

#### Transactions with related parties

During the year the Foundation entered into the following transactions with related parties:

#### **Censo Biotechnologies Limited**

During the year, interest of £nil (2021 - £5,603) was received by Roslin Foundation. At the year end, £nil (2021 - £93,812) was owed to Roslin Foundation.

### 17 Contingent assets

In respect of the sale of Roslin Cell Therapies Limited in the year an amount of £4.02m is held in escrow until final tax reviews are completed in relation to the employee share scheme. At this time we are unable to quantify the tax liability, consequently it is not possible to determine how much, if any, of the funds held in escrow will be received by the charity. Additionally, under the terms of a previous agreement, one third of any balance returned to the charity will be payable to Scottish Enterprise.