

Scottish Charity No: SC009723

**Sir Reo Stakis Charitable Foundation
(formerly Reo Stakis Charitable Foundation)**

**Consolidated financial statements and Trustees' Report
For the year ended 5 April 2024**

Contents

	Page
Trustees' report	1 – 8
Independent auditor's report to the Members and Trustees	9 – 12
Consolidated statement of financial activities	13
Charity statement of financial activities	14
Consolidated balance sheet	15
Consolidated statement of cash flows	16
Notes to the financial statements	17 – 38

Trustees' report
For the year ended 5 April 2024

The Trustees have pleasure in presenting their annual report and financial statements for the Group for the year ended 5 April 2024. The Foundation changed its name by resolution from 'Reo Stakis Charitable Foundation' to 'Sir Reo Stakis Charitable Foundation' on 19 June 2024.

The financial statements are prepared in accordance with the accounting policies set out in Note 1 to the financial statements and comply with the charity's constitution, applicable law and the requirements of the Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and Activities

The objectives and activities of the Foundation are set out in the Trust Deed prepared when the Foundation was set up in 1984. The Trust Purposes are to apply the trust fund, and the income thereof, for such charitable purposes as the Trustees shall from time-to-time think fit including:

- The prevention or relief of poverty.
- The preservation of wildlife.
- The preservation and renewal of buildings and other items of national or historic interest.
- The advancement of health and education.
- The assistance of disabled persons.
- The advancement of the Greek Orthodox religion and other religions.
- The encouragement of the Fine Arts.

The Foundation manages its assets in such a way as to meet the above Trust Purposes.

The main areas of activity undertaken by the charity, its subsidiary undertakings and other significant investment interests are as follows:

Subsidiary undertakings:

- *Stakis Forestry LLP* – woodland development and management.
- *Reo Stakis Hydro Limited* and *Stakis Hydro LLP* – the generation of hydro-electric power.

Other significant investment interests:

- *The Forestry Partnership 2008 LLP* – the ownership and commercial operation of forests and associated activities. This involves sustainable land management, harvesting tree crops under FSC certification and replanting to maximise commercial and environmental benefits.

The charity holds a number of other speculative investments around woodlands and commercial property sectors, held with a view to generating a sustainable revenue to support the fulfilment of the charitable purposes of the Foundation.

The financial aims of the Foundation are to ensure that all relevant donations are met from income or realised capital wherever possible. If it would be disadvantageous to realise investments then a deficit on the income and expenditure account can be approved; however, this would only be done if the Trustees are satisfied that the capital value of the remaining assets is appreciating.

Achievements and Performance

The Foundation was successful in donating £688,874 (2023: £625,964) to various beneficiaries congruent to the charitable objectives of the Foundation, as described in Note 8.

The Trustees have the capacity to make grants and donations in accordance with their powers outlined in the Trust Deed. Subject to the assets, income and reserves of the charity, the stated objective of the Trustees is to increase the value of such discretionary payments over time.

The recipients of such charitable donations are discretionary and are a factor of: (i) core recurring beneficiaries; (ii) responses to funding requests submitted directly to the Trustees; and (iii) other ad-hoc payments as arise from time-to-time in line with its Trust Deed.

The Foundation has invested predominately into the renewable energy sector. Investments are made in forestry, through the respective vehicles of Stakis Forestry LLP and The Forestry Partnership 2008 LLP. Each of these partnerships include elements of other renewables. This includes battery storage through Stakis Forestry LLP's investments held in Gresham House Battery Storage plc; and wind energy leases through The Forestry Partnership 2008 LLP. The Foundation has invested in hydro-electric schemes through Reo Stakis Hydro Limited, wind energy through Gresham House Wind Energy 1 plc, and hydrogen production and storage through Storelectric Limited.

The Foundation has other standalone renewables investments within Edge Hydro Investments Limited and Gresham Solar Distribution LLP. Within its listed investment portfolio held with Redmayne Bentley, the Foundation holds a sizeable investment in Gresham House Energy Storage Fund plc, and holds shares in SSE plc. It is intended to add to these investments over time. In accordance with this investment policy, the Foundation is collaborating with a developer to create an electric vehicle filling station with ancillary services on the A9, near Kinbuck.

In 2023/24 the Trustees decided to implement three key objectives:

1. Reduce dependency on forestry

As 2024/25 is a Continuation Year for The Forestry Partnership 2008 LLP a decision was made by the Manager to use the bank overdraft facility within Stakis Hydro LLP to enable the Trust to invest further in Gresham House Energy Storage Fund plc. The intention was to repay this overdraft when funds were received from the reduction of Stakis Forestry LLP's interest in The Forestry Partnership 2008 LLP. Sadly the decision to do so did not work out well in the short-term and, although the interest in Gresham House Energy Storage Fund plc was purchased significantly below net asset value, the company cancelled its dividend which reduced the confidence in the stock, the valuation of which then reduced further.

The valuation has subsequently recovered somewhat but the stock is still below asset value though the company states it is confident it will be able to reintroduce its dividend in 2025/26.

The investment in Energy Storage is a core Foundation investment and, like the Forestry and Hydro sectors, the long-term prospects for this sector are still considered to be very positive. Intermittency will increase as renewables take-up a greater percentage of electricity generation and, as gas fired power stations are phased out, the ESO (National Grid) will need to put greater reliance on battery storage to balance the GRID.

Trustees' report

For the year ended 5 April 2024

The Foundation received drawings of £184,753 (2023: £110,787) from The Forestry Partnership 2008 LLP in the period, as detailed in Note 5.

2. *Achieve greater liquidity for the Foundation*

The Foundation has invested in a diversified portfolio of listed investment assets. These provide the Foundation with income and greater liquidity. By investing in cash-generative investments in the renewables sector, such as GRID and Gresham House Wind Energy 1 plc as standalone investments or within the Partnerships, the Foundation has a pool of investments to be liquidated if, for whatever reason, liquid funds were to be called for quickly.

The investments in Storelectric Limited, Gresham Wind Energy 1 plc, Gresham House Solar Distribution LLP and Edge Hydro Investments Limited have given the Foundation greater liquidity which was one of the key strategic objectives and the ongoing yield from these investments, alongside Hydro income, gives the Trustees some confidence in steady income to fund desired donations.

The Foundation received dividend income of £573,304 (2023: £478,559) from listed investments in the period, as detailed in Note 5.

3. *Create a sustainable income base by reinvesting forestry sales into renewable listed investments*

As stated above, a number of investments were made in 2022/23 which increased the income base of the Foundation. The loss of dividend income from Gresham House Energy Storage Fund plc was unforeseen but it showed that despite the fall in capital value of the forestry and hydro fixed assets, and a fall in the investment held in Gresham House Energy Storage Fund plc, the income base of the fund continued to grow.

The deficit caused by the postponement of the Gresham House Energy Storage Fund plc dividend was offset to some degree by an increase in the dividend from Gresham House Wind Energy 1 plc and cash from the part-disposal of the Foundation's The Forestry Partnership 2008 LLP interest within Stakis Forestry LLP. In the coming year additional income will be received from some timber felling at Stakis Forestry LLP's property in Cornwall.

The fall in capital value in forestry, hydro and energy storage was mainly down to high inflation and low economic activity, and reduced wholesale electricity prices following the COVID pandemic. Timber values were down on previous highs and electricity prices were down causing a reduced and disappointing Power Purchasing Agreement (PPA). The wars in Ukraine and Israel have created a great deal of global economic uncertainty but it is hoped that a new Labour UK government, committed to growth, will get inflation down further and lead to lowering interest rates which should stimulate greater economic activity especially in the housebuilding and renewables sectors.

The Foundation is fortunate in that its subsidiaries have no term loan debt and therefore is not at the mercy of high interest rates. The Manager is confident that growth in both the timber price and forestry capital values will gradually return to the forestry sector and, since the Hydro schemes are wholly owned in-house by Stakis Hydro LLP, the capital value is only relevant if these assets were to be sold.

It will be interesting to note what the value of Edge Hydro Investment Limited's assets will realise on exit, as the Board of that company has decided to place the business on the open market.

Trustees' report

For the year ended 5 April 2024

There is reason to be optimistic in that Grove (the developers) intend to submit planning by 1 January 2025 at our Kinbuck site and intend to include a solar farm to provide the electricity for an EV charging station. There are other potential windfall opportunities within The Forestry Partnership 2008 LLP and Stakis Forestry LLP, and if the UK Government delivers on its promise to reform the planning system, then the chance of windfarms in various sites within the two-portfolios might give some cause for optimism.

Financial Review

The investments held by the group reported an unrealised revaluation loss of £10,277,155 (2023 gain: £570,578), representing an unrealised loss of 34.48% in the year. The group invested an additional £1,822,589 (2023: £2,588,055) (net of disposals). The total investment value at the end of the period was £19,525,688 (2023: £27,980,254). The group's investment assets comprise mainly forestry properties via interests in two partnerships – Stakis Forestry LLP and The Forestry Partnership 2008 LLP. Further details on the investments held are provided in Notes 11-12.

The investments held by the group yielded a total investment income of £821,152 (2023: £625,571). This figure, detailed in Note 5, is higher than the performance during the prior year, which is reflective of the cyclical nature of returns from woodland and forestry management projects.

The group reports a net decrease in cash and cash equivalents at the end of the reporting period, the net cash outflow for the period of £1,463,924 (2023 net cash inflow: £57,247) resulting in total closing cash and cash equivalents of (-£557,650) (2023: £906,274).

The group reports a net expenditure of £9,466,026 (2023 net income: £1,953,050), and a loss on the revaluation of fixed assets of £4,130,358 (2023 gain: £1,098,658). The total funds have decreased by £13,596,384 (2023 increase: £3,051,708), of which (-£12,092,381) (2023: £1,862,125) is attributed to the group. The total funds of the group have decreased to £32,352,162 (2023: £44,444,543).

The financial performance of the Group and the Charity is set out on pages 13 to 16.

Reserves Policy

The Trustees retain sufficient reserves, all unrestricted, to ensure that the Foundation is able to meet its objectives.

The unrestricted funds and capital funds are funds which can be used in accordance with the charitable objectives of the charity at the discretion of the Trustees.

Reserves are reviewed on a regular basis and are held at such a level as to ensure the ongoing financial stability of the charity. The income of the Foundation arises mainly from the interests it holds in its investments.

The financial position of the Foundation and the activities during the period are stated in the attached accounts.

Going Concern

On the basis of the net assets and cash reserves, the Trustees consider the financial position to be sound. The group's gross asset base has decreased from £58,976,083 (2023) to £45,792,286 (2024), inclusive of the closing cash and cash equivalents of (-£557,650) (2023: £906,274) commented on above.

Investment Policy

The Trustees have wide investment powers. They adopt a medium risk investment strategy aimed at generating both income and capital growth in the medium to longer term.

The primary aims of the investment policy are to have a portfolio which can achieve:

- Capital maintenance and capital growth of at least 4% per annum, on average;
- Income generation which is consistent on an annual basis and is at a level which will enable the Foundation to increase its charitable donations year-on-year;
- A prudent balance / spread of risk, and growth opportunities across the portfolio.

The aim of the Foundation will be to continue to invest primarily in ethical, green, energy efficient and renewables investments as part of its commitment to tackle climate change.

The Foundation receives advice from professional investment advisers regarding implementation of this strategy.

Plans for future periods

The Trustees' future aims are to continue to meet the Trust Purposes as stated and to manage the affairs of the Foundation prudently and responsibly.

The strategic aim of the Foundation is to develop its capital and income base in such a way as to increase its charitable activities according to the wishes of its Trustees.

The Trustees continue to consider ways in which to diversify the investments held by the charity.

Risk management

The Trustees have assessed the major risks to which the Foundation is exposed, in particular those related to the financial and investment operations and finances of the Foundation and are satisfied that systems are in place to minimise the exposure to these major risks.

The principal risk faced by the Foundation is that investments do not perform, and capital and income are not maintained. This risk is managed with the support of professional advisors through regular review of the operations of investee businesses.

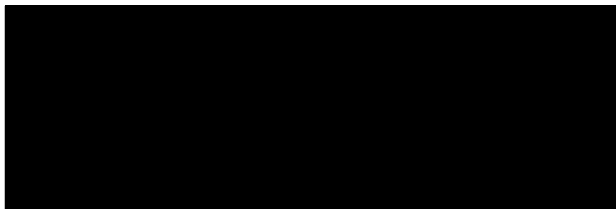
Sir Reo Stakis Charitable Foundation

Trustees' report

For the year ended 5 April 2024

Structure, governance and management

The Sir Reo Stakis Charitable Foundation was established on 7 June 1984 under a Deed of Trust by Sir Reo Stakis and registered in the Books of Council and Session on 6 November 1984.



The Trustees are normally appointed from within the Stakis family or their professional advisors. Upon appointment the responsibilities of being a Trustee are discussed with each new Trustee. The Trustees can discuss any matter of concern with other Trustees, with the Foundation's auditors and other professional advisors as they see fit.

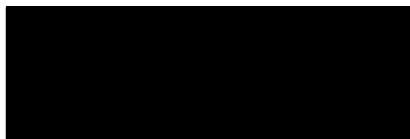
The day-to-day running of the Foundation is undertaken by Andros Stakis. He is not a Trustee. The Trustees have given him full powers to undertake the day-to-day running of the Foundation. Any major decisions relating to the Foundation assets and agreement to all major donations must be approved by a majority of the Trustees. These decisions are then ratified at the next Trustees' meeting.

Sir Reo Stakis Charitable Foundation

**Trustees' report
For the year ended 5 April 2024**

Reference and administrative information:

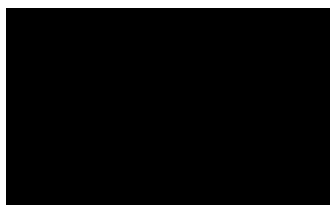
Trustees



Scottish charity number

SC009723

Business address



Independent Auditors

Azets Audit Services
Quay 2
139 Fountainbridge
Edinburgh
EH3 9QG

Accountants

Saffery LLP
Level 4
9 Haymarket Square
Edinburgh
EH3 8RY

Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

Solicitors

Gillespie Macandrew LLP
5 Atholl Crescent
Edinburgh
EH3 8EJ

Investment Custodians

Redmayne Bentley
25 Blythwood Square
Glasgow
G2 4BL

Statement of Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

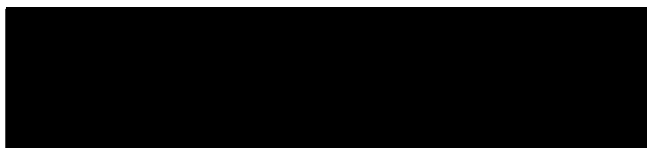
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as the trustees are aware, there is no relevant audit information of which the charity's auditors are unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken in order to make themselves aware of all relevant audit information and to establish that the charity's auditors are aware of that information.

On behalf of the Trustees



Trustee

Date: 26/4/2024

Sir Reo Stakis Charitable Foundation

Independent auditor's report

To the Trustees of the Sir Reo Stakis Charitable Foundation

For the year ended 5 April 2024

Opinion

We have audited the financial statements of Sir Reo Stakis Charitable Foundation (the 'parent charity') and its subsidiaries (the group) for the year ended 5 April 2024 which comprise the consolidated and parent charity Statement of Financial Activities, the consolidated and parent charity Balance Sheet, the consolidated and parent charity Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 5 April 2024 and of the group's and parent charity's incoming resources and application of resources, including the group's and the parent charity'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 Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our 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 audit opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Sir Reo Stakis Charitable Foundation

Independent auditor's report

To the Trustees of the Sir Reo Stakis Charitable Foundation

For the year ended 5 April 2024

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of the Trustees

As explained more fully in the Statement of the Trustees' responsibilities set out on page 8, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the parent charity 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 report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

**Independent auditor's report
To the Trustees of the Sir Reo Stakis Charitable Foundation**

For the year ended 5 April 2024

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

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

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

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

- 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 charity through discussions with the trustees, and from our knowledge and experience of the charity 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 charity, including the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and taxation, data protection, anti-bribery, environmental, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of the trustees and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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 meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any correspondence with HMRC, relevant regulators and the charity's legal advisors.

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

- making enquiries of management and the trustees 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.
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Sir Reo Stakis Charitable Foundation

Independent auditor's report

To the Trustees of the Sir Reo Stakis Charitable Foundation

For the year ended 5 April 2024

To address the risk of fraud through management bias and override of controls, we:

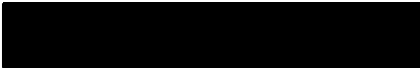
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

Use of our report

This report is made solely to the parent charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the parent charity's Trustees, as a body, 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 parent charity and the parent charity's Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.


Azets Audit Services
Statutory Auditor
Chartered Accountants

Quay 2
139 Fountainbridge
Edinburgh
EH3 9QG

Date: 19/12 2024

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Sir Reo Stakis Charitable Foundation

**Consolidated statement of financial activities
For the year ended 5 April 2024**

		General Fund	Capital Fund	Designated Fund	Total funds 2024	Total funds 2023
	Notes	£	£	£	£	£
Income and endowments from:						
Other Trading Activities	4	1,246,854	-	-	1,246,854	1,972,025
Investment income	5	821,152	-	-	821,152	625,571
Total income		<u>2,068,006</u>	<u>-</u>	<u>-</u>	<u>2,068,006</u>	<u>2,597,596</u>
Expenditure on:						
Raising funds	6	962,081	-	-	962,081	1,089,903
Charitable activities	7	776,753	-	-	776,753	707,891
Taxation (credit) / charge		(69,719)	-	-	(69,719)	69,719
Total expenditure		<u>1,669,115</u>	<u>-</u>	<u>-</u>	<u>1,669,115</u>	<u>1,867,513</u>
Net (losses) / gains on investment assets		(9,864,917)	-	-	(9,864,917)	1,222,967
Net income / (expenditure)		<u>(9,466,026)</u>	<u>-</u>	<u>-</u>	<u>(9,466,026)</u>	<u>1,953,050</u>
Other recognised gains						
(Losses) / Gains on revaluation of fixed assets	13	(4,130,358)	-	-	(4,130,358)	1,098,658
Net movement in funds		<u>(13,596,384)</u>	<u>-</u>	<u>-</u>	<u>(13,596,384)</u>	<u>3,051,708</u>
Attributable to:						
Charity		(12,092,381)	-	-	(12,092,381)	1,862,125
Minority Interest		(1,504,003)	-	-	(1,504,003)	1,189,583
		<u>(13,596,384)</u>	<u>-</u>	<u>-</u>	<u>(13,596,384)</u>	<u>3,051,708</u>
Reconciliation of funds						
Total funds brought forward		40,887,946	3,556,597	-	44,444,543	42,582,418
Net movement in funds		(12,092,381)	-	-	(12,092,381)	1,862,125
Total funds carried forward	17	<u>28,795,565</u>	<u>3,556,597</u>	<u>-</u>	<u>32,352,162</u>	<u>44,444,543</u>

The Consolidated statement of financial activities includes all gains and losses in the year. All of the above amounts relate to continuing activities.

The notes on pages 17 to 38 form part of these financial statements.

Sir Reo Stakis Charitable Foundation

**Charity statement of financial activities
For the year ended 5 April 2024**

	Notes	General Fund £	Capital Fund £	Designated Fund £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:						
Investment income	5	1,234,040	-	-	1,234,040	1,720,328
Total income		1,234,040	-	-	1,234,040	1,720,328
Expenditure on:						
Raising funds	6	136,840	-	-	136,840	112,303
Charitable activities	7	776,753	-	-	776,753	707,891
Total expenditure		913,593	-	-	913,593	820,194
Net (losses) / gains on Investment assets		(12,412,828)	-	-	(12,412,828)	961,991
Net movement in funds		(12,092,381)	-	-	(12,092,381)	1,862,125
Reconciliation of funds						
Total funds brought forward		40,887,946	3,556,597	-	44,444,543	42,582,418
Net movement in funds		(12,092,381)	-	-	(12,092,381)	1,862,125
Total funds carried forward	17	28,795,565	3,556,597	-	32,352,162	44,444,543

The parent charity statement of financial activities includes all gains and losses in the year. All of the above amounts relate to continuing activities.

The notes on pages 17 to 38 form part of these financial statements.

Sir Reo Stakis Charitable Foundation

**Consolidated balance sheet
As at 5 April 2024**

	Notes	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Fixed Assets					
Investments	11	19,525,688	27,980,254	29,504,071	40,763,194
Tangible assets	13	25,762,686	29,827,686	92,686	92,686
		45,288,374	57,807,940	29,596,757	40,855,880
Current assets					
Debtors	14	414,238	261,869	3,737,585	3,487,017
Cash at bank and in hand		89,674	906,274	32,132	226,919
		503,912	1,168,143	3,769,717	3,713,936
Liabilities					
Creditors: amounts falling due within one year	15	(1,161,158)	(994,180)	(1,014,312)	(125,273)
Net current (liabilities) / assets		(657,246)	173,963	2,755,405	3,588,663
Total net assets		44,631,128	57,981,903	32,352,162	44,444,543
Attributable to Minority Interests		(12,278,966)	(13,537,360)	-	-
Net assets attributable to Parent Charity		32,352,162	44,444,543	32,352,162	44,444,543
Unrestricted funds	17	32,352,162	44,444,543	32,352,162	44,444,543

These financial statements were approved by the Trustees on 26/11/24 2024 and are signed on their behalf by:

[Redacted Signature]

Scottish Charity No. SC009723

The notes on pages 17 to 38 form part of these financial statements.

Sir Reo Stakis Charitable Foundation

Consolidated statement of cash flows
For the year ended 5 April 2024

	2024	2023
	£	£
Net cash provided by operating activities (<i>see table below</i>)	5,144	1,386,311
Cash flows from investing activities:		
Dividends, interest and rents from investments	821,152	625,571
Proceeds from the sale of property, plant and equipment	-	3,100,000
Purchase of property, plant and equipment	(188,240)	(1,162,188)
Proceeds from sale of investments	1,588,650	3,614,709
Purchase of investments	(3,411,239)	(6,202,764)
Net cash used in investing activities	(1,189,677)	(24,672)
Cash flows from financing activities:		
Cash flows from repayment of borrowings	(525,000)	(1,650,000)
Capital introduced by Minority Interests	1,140,001	4,200,000
Distributions to Minority Interests	(894,392)	(3,854,392)
Net cash used in financing activities	(279,391)	(1,304,392)
Change in Cash and Cash Equivalents in the reporting period	(1,463,924)	57,247
Cash and Cash Equivalents at the beginning of the reporting period	906,274	849,027
Cash and Cash Equivalents at the end of the reporting period	(557,650)	906,274

	2024	2023
	£	£
Reconciliation of net cash provided by operating activities:		
Net (expenditure) / income for the year	(9,466,026)	1,953,050
Depreciation charges	122,882	108,246
Losses / (Gains) on investments	10,277,155	(570,578)
Dividends, interest and rents from investments	(821,152)	(625,571)
(Increase) / decrease in debtors	(152,369)	437,179
Increase in creditors	44,654	83,985
Net cash provided by operating activities	5,144	1,386,311

Reconciliation of net debt:	5 April 2023	Cash Flow	5 April 2024
	£	£	£
Cash	906,274	(1,463,924)	(557,650)
Loans: falling due within one year	(525,000)	525,000	-
Total for period	381,274	(938,924)	(557,650)

1.1 Accounting convention and accounting policies

General information

The Charity and Group Statement of Financial Activities, Charity and Group Balance Sheet, Charity and Group Statement of Cash Flows and related notes comprise the financial statements of the of Sir Reo Stakis Charitable Foundation ('the Foundation') drawn up for the year ended 5 April 2024.

The continuing activity of the Foundation is as a grant-making charity in the furtherance of the objects and activities as detailed on page 1. The subsidiaries included within the consolidated accounts are involved with woodland development and generation of hydro-electric power.

The Foundation operates under a trust deed and is a Scottish Charity, OSCR registration number SC009723. The address of the Foundation's registered office is noted on page 7.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - Charities SORP (FRS 102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Sir Reo Stakis Charitable Foundation meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

The Trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern.

1.2 Consolidation

The consolidated financial statements consolidate the financial statements of Sir Reo Stakis Charitable Foundation and its subsidiary undertakings – as detailed in Note 12 to the financial statements – drawn up to 5 April 2024.

1.3 Tangible fixed assets

Forests

Tangible fixed assets include forests, which are biological assets held at fair value. Associated land is also held at fair value.

Hydro schemes

Tangible fixed assets also include two hydro schemes which are valued at open market value in accordance with FRS 102. The hydro schemes are professionally valued with sufficient regularity and stated at fair value at the balance sheet date as shown in Note 13. The members perform an impairment review on the hydro schemes on an annual basis as shown in Note 13.

1.4 Revaluation of tangible fixed assets

Forestry assets are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the statement of financial activities.

1.5 Fixed asset investments

The Foundation's interests in its partnership investments are valued at market value based on the latest financial statements of these partnerships. The aggregate surplus or deficit on revaluation is transferred to the unrestricted general fund.

Other fixed asset investments are valued at market value. Gains and losses on disposal and revaluation of investments are charged or credited to the unrestricted general fund. Where a reliable market value cannot be ascertained, unlisted investments are held at cost less impairment.

The Foundation does not acquire or use put options, derivatives or other complicated financial instruments.

1.6 Impairment of fixed assets

At each reporting period end date, the charity 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).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.7 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 charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised. The loan receivable from Reo Stakis Hydro Limited is measured at initial cost plus a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans to fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. 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 business from suppliers. Accounts payable are classified as 'creditors: amounts falling due within one year' if payment is due within one year or less. If not, they are presented as 'creditors: amounts falling due after more than one year'. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Fund accounting

Unrestricted general funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation.

1.9 Income recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the group has transferred the significant risks and rewards of ownership to the buyer;
- the group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

- Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:
- the amount of turnover can be measured reliably;
- it is probable that the LLP will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

The main sources of income are distributions, interest and felling income. All investment income derives from investments held in the UK.

1.10 Investment income

Interest and dividends receivable are accounted for on an accruals basis. Gift aid and donations are recognised on receipt of proceeds.

1.11 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

1.12 Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount can be measured reliably.

All expenditure including donations, support costs and governance costs, is recognised on an accruals basis.

Donations are payments made to third parties in furtherance of the charitable objects of the Foundation. Unconditional donations are accrued once the recipient has been notified.

1.13 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.14 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the accruals basis.

1.15 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

1.16 Allocation of support and governance costs

Support costs comprise costs for running the charity. These are all directly attributable to the charitable activities of the charity.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

1.17 Charitable activities

The expenditure on charitable activities includes donations made, governance costs and support costs as shown in Note 7.

2. Taxation

The Foundation is recognised by HM Revenue & Customs as a charity for the purposes of the Income and Corporation Taxes Act 1988 and is entitled under Section 13 (2) of the Charities and Trustee Investment (Scotland) Act 2005 to describe itself as a Scottish Charity. The charity is exempt from tax on its charitable activities.

The tax expense recognised on the consolidated statement of financial activities represents the sum of the tax currently payable and deferred tax arising on the subsidiary undertakings.

Notes to the financial statements
As at 5 April 2024

3. Accounting Estimates

In the application of the group's accounting policies, the Trustees are required to make estimates, judgements 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 unlisted investments included in Note 11 are carried at the Trustees' estimate of market value, where a published market price is not available. This estimation involves judgement, and the Trustees have extensive experience in the sectors in which the group holds unlisted investments. The carrying value of each investment is assessed on an annual basis.

Fixed assets held at valuation are an accounting estimate.

4. Other trading activities

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Forestry income	245,754	(3,315)	-	-
Hydro income	889,521	1,865,619	-	-
Other operating income	111,579	109,721	-	-
	<u>1,246,854</u>	<u>1,972,025</u>	<u>-</u>	<u>-</u>

5. Investment income

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Income distributions:				
• Forestry investments	184,753	110,787	234,753	1,210,787
• Other investments	60,030	36,225	425,393	36,225
Interest on loan to subsidiary	-	-	279,648	213,648
Other interest received	3,065	-	2,860	-
Dividends received	573,304	478,559	291,386	259,668
	<u>821,152</u>	<u>625,571</u>	<u>1,234,040</u>	<u>1,720,328</u>

Notes to the financial statements
As at 5 April 2024

6. Expenditure on raising funds

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Forestry management	155,579	335,602	495	12,166
Investment management	107,796	100,137	107,796	100,137
Hydro cost of sales	226,998	109,654	-	-
Depreciation	122,882	108,246	-	-
Rent and rates	20,164	30,972	-	-
Heat and light	11,226	14,694	-	-
Sundry expenses	3,693	10,609	-	-
Management fees	22,719	22,901	-	-
Bad debts	(571)	-	-	-
Loan interest	22,796	22,827	28,549	-
Insurance	29,756	25,425	-	-
Telephone charges	919	1,505	-	-
Travel and subsistence	1,411	3,237	-	-
Accountancy fees	9,094	6,466	-	-
Bank charges	2,031	5,539	-	-
Audit fees	52,281	49,209	-	-
Legal and professional fees	173,307	242,880	-	-
	<u>962,081</u>	<u>1,089,903</u>	<u>136,840</u>	<u>112,303</u>

Notes to the financial statements
As at 5 April 2024

7. Expenditure on charitable activities

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Charitable donations				
Charitable donations to various charities (Note 8)	688,874	625,964	688,874	625,964
Support costs in relation to charitable activities:				
Insurance	714	1,049	714	1,049
Telephone charges	1,905	780	1,905	780
Travel and subsistence	11,172	6,498	11,172	6,498
Management and consultancy fees	26,949	25,034	26,949	25,034
Accountancy fees	19,121	15,880	19,121	15,880
Bank charges	610	(6)	610	(6)
	60,471	49,235	60,471	49,235
Governance costs in relation to charitable activities:				
Audit fees	15,000	13,725	15,000	13,725
Legal and professional fees	12,408	18,967	12,408	18,967
	27,408	32,692	27,408	32,692
Total charitable activities	776,753	707,891	776,753	707,891

Notes to the financial statements
As at 5 April 2024

8. Charitable donations

		Charity 2024	Charity 2023
<i>To institutions:</i>	Sector	£	£
Action for Children	Community	5,000	-
	Community	6,058	8,497
Alkionides UK	Community	100,000	23,499
Archdiocese of Thyateira	Religious	-	10,000
Beatson Cancer	Medical	10,000	12,000
Bo'ness Storehouse	Community	2,000	-
Chest Heart & Stroke Scotland	Medical	10,000	20,000
Christina Apostolou Foundation	Medical	8,654	10,046
Crohns & Colitis	Medical	10,000	10,000
Cyprus Red Cross Society	Medical	10,000	17,186
Dementia Friendly	Medical	1,400	-
EADHA Enterprises	Community	10,000	-
East Renfrewshire Foodbank	Community	20,000	10,000
Ecumenical Patriarchate	Religious	-	10,000
Emeis Breast Cancer Society	Medical	8,612	-
Erskine Hospital	Medical	-	15,000
Europa Donna Cyprus	Religious	8,652	-
Fine Cell Work	Community	10,000	10,000
	Community	-	5,000
Funding Neuro	Medical	-	10,000
Game & Wildlife Conservation Trust	Community	5,000	5,000
Glasgow Children's Hospital	Medical	-	32,094
Glenvale FC	Community	1,000	-
Hellenic Alliance	Religious	500	-
Holy Cross Church of Kypseli	Religious	25,000	20,000
I Am Me Scotland	Community	5,000	10,000
ICR: Institute for Cancer Research	Medical	5,000	-
Largs Community	Community	2,500	3,000
Linlithgow Link Voluntary Group	Community	2,000	-
Macmillan Nurses	Medical	10,000	-
Margaritas Liasidou Foundation	Medical	-	4,362
Marie Curie	Medical	5,000	-
Medair UK	Medical	10,000	-
Metropolis Limassol	Community	8,653	8,541
Mora Thavmata	Medical	-	12,745
MS Society	Medical	9,000	-
My Name is Doddie Foundation	Medical	1,000	-
Newmains School	Community	10,000	10,000
Nordoff Robbins Music Therapy	Community	25,000	10,000
NSPCC Scotland	Community	7,000	-
<i>Carried forward</i>		<i>352,029</i>	<i>286,970</i>

Sir Reo Stakis Charitable Foundation

Notes to the financial statements

As at 5 April 2024

8.	Charitable Donations (continued)		Charity 2024	Charity 2023
	<i>To institutions:</i>	Sector	£	£
	<i>Brought forward</i>		352,029	286,970
	Pasykaf	Community	17,301	12,745
	Patriarchate of Constantinople	Religious	-	16,106
	Petagma	Religious	12,145	-
	QME Care	Medical	1,000	-
	Renfrewshire Association for Mental Health	Medical	-	20,000
	Ronald McDonald House	Community	-	10,000
	SAUKT Fund (Salvation Army)	Religious	-	10,000
	Scotland's Charity Air Ambulance (SCAA)	Medical	-	5,000
	Scottish Huntington's Association	Medical	-	10,000
	Sight Scotland Veterans	Medical	-	10,000
	Smile Train UK	Medical	4,000	-
	SOS Children's Villages Greece	Community	5,000	10,046
	Spina Bifida Scotland	Medical	-	5,000
	SSAFA: The Armed Forces Charity	Community	15,000	-
	St Luke's Trust	Religious	75,814	60,000
	St Michael's Hospice Charity	Medical	4,322	-
	St Vincent's Hospice	Medical	10,000	-
	Stakis Nursing Home Lefkara	Community	-	45,053
	Star Project	Community	-	10,000
	Stroke Association	Medical	-	10,000
	Terrence Higgins Trust	Medical	10,000	-
	The Lord's Taverners	Community	10,000	10,000
	The Scliosis Association	Medical	10,000	5,000
	UNICEF	Medical	-	15,000
	University of Glasgow (Adam Smith Business School)	Community	100,000	-
	University of the West of Scotland (The WEST Scholarship Fund)	Community	-	40,000
	Vagoni Agapis	Religious	8,651	10,044
	Voice for Autism	Medical	8,612	-
	Water Aid	Community	20,000	25,000
	Young and Inspired	Community	5,000	-
			688,874	625,964

9. Employees

The average number of employees during the year was:

Group 2024 No.	Group 2023 No.	Charity 2024 No.	Charity 2023 No.
2	2	-	-

No employee received employee benefits of more than the £60,000 disclosure threshold.

10. Net incoming resources

Net incoming resources are stated after charging:

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Auditor's remuneration:				
Fees payable to the auditor and its associates for the audit of the annual financial statements	38,000	35,725	15,000	13,725
Fees payable to the auditor and its associates in respect of all other services	39,249	30,296	-	-
	<u>77,249</u>	<u>66,021</u>	<u>15,000</u>	<u>13,725</u>

Notes to the financial statements
As at 5 April 2024

11. Investments

	Forestry £	Hydro £	Listed £	Unlisted £	Total £
Group					
At 6 April 2023	15,489,777	-	9,903,282	2,587,195	27,980,254
Additions	60,115	-	3,206,620	144,504	3,411,239
Disposals	-	-	(1,587,434)	(1,216)	(1,588,650)
Revaluation losses	(2,585,778)	-	(7,673,979)	(17,398)	(10,277,155)
At 5 April 2024	12,964,114	-	3,848,489	2,713,085	19,525,688

The forestry investment comprises a non-controlling interest in The Forestry Partnership 2008 LLP (a woodland development and management partnership).

The listed investments comprise an investment portfolio managed by Redmayne Bentley and have a historic book cost of £10,149,108 (2023: £8,529,922).

The unlisted investments comprise an investment in Bio-Bean Limited; an investment in Edge Hydro Investments Limited (a hydro scheme investment); an investment in Redrice I LP; an investment in Gresham House Solar Distribution LLP (a seller of electricity generated from solar parks); an investment in Gresham House Wind Energy 1 plc (a renewable energy investment); and an investment Storelectric Limited (hydrogen production and storage).

	Forestry £	Hydro £	Listed £	Unlisted £	Total £
Charity					
At 6 April 2023	27,597,703	3,831,494	7,796,802	1,537,195	40,763,194
Additions	-	-	2,840,019	144,504	2,984,523
Disposals	-	-	(1,417,364)	(1,216)	(1,418,580)
Revaluation losses	(4,046,791)	(2,638,695)	(6,122,182)	(17,398)	(12,825,066)
At 5 April 2024	23,550,912	1,192,799	3,097,275	1,663,085	29,504,071

Further details on the subsidiary undertakings are given in Note 12.

Notes to the financial statements
As at 5 April 2024

12. Subsidiaries

Details of the charity's subsidiaries as at 5 April 2024 are as follows:

Name of undertaking	Country of incorporation	Nature of business	Class of shareholding	% held directly
Reo Stakis Limited	Scotland	Dormant	Ordinary	100.0%
Stakis Forestry LLP	Scotland	Woodland development and management	Designated member (Reo Stakis Limited)	Indirect 66.00%
Reo Stakis Hydro Limited	Scotland	Management consultancy company	Ordinary	100.0%
Stakis Hydro LLP	Scotland	Generation of hydro-electric power	Designated member (Reo Stakis Hydro Limited)	Indirect 50.65%

The aggregate capital and reserves and the profit for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit / (Loss) £	Capital and Reserves £
Reo Stakis Limited	-	2
Stakis Forestry LLP	(2,774,087)	21,966,338
Reo Stakis Hydro Limited	177,537	108,818
Stakis Hydro LLP	<u>(2,125,891)</u>	<u>9,747,720</u>

Name of undertaking	Total Income £	Total Expenditure £
Reo Stakis Limited	-	-
Stakis Forestry LLP	394,456	(381,004)
Reo Stakis Hydro Limited	396,647	(288,829)
Stakis Hydro LLP	<u>1,163,070</u>	<u>(463,604)</u>

Reo Stakis Limited (SC318137), Reo Stakis Hydro Limited (SC475277) and Stakis Hydro LLP (SO304720) each hold their registered office at [REDACTED]
[REDACTED] Stakis Forestry LLP (SO301537) holds its registered office at [REDACTED]
[REDACTED]

Notes to the financial statements
As at 5 April 2024

13. Tangible fixed assets

	Land	Commercial	Hydro	Total
	£	Forests	Schemes	£
		£	£	
Group				
At 6 April 2023	7,058,495	10,669,191	12,100,000	29,827,686
Additions	-	-	188,240	188,240
Disposals	-	-	-	-
Depreciation	-	-	(122,882)	(122,882)
Revaluation gains / (losses)	44,191	(609,191)	(3,565,358)	(4,130,358)
At 5 April 2024	7,102,686	10,060,000	8,600,000	25,762,686

Stakis Forestry LLP

Biological assets have been disclosed separately as 'Commercial forests' in line with the treatment set out in section 34 of FRS 102.

Land and commercial forests with a carrying amount of £7,695,000 (2023: £7,635,000) are no longer pledged to secure the borrowings of Stakis Forestry LLP. The LLP is now allowed to pledge these assets as security for other borrowings, or to sell them to another entity.

These forestry assets were revalued on the basis of market value, as at 31 March 2024, by Goldcrest Land and Forestry Group, independent valuers not connected with the LLP. The valuation conforms to International Valuation Standards and was based on recent market transactions on an arm's length basis for similar forestry assets.

Land and commercial forests with a carrying amount of £9,375,000 (2023: £10,000,000) were revalued on the basis of market value, as at 30 April 2024, by Savills, independent valuers not connected with the LLP. The LLP's members are of the opinion that the value as at this date was not materially different from the value as at the year-end. The valuation conforms to International Valuation Standards and was based on recent market transactions on an arm's length basis for similar forestry assets.

If revalued assets were stated on a historical cost basis rather than a fair value basis, the total amounts included would have been £6,242,132 (2023: £6,242,132).

Stakis Hydro LLP

Hydro schemes with a carrying amount of £8,600,000 (2023: £12,100,000) have been pledged to secure the borrowings of Stakis Hydro LLP. The LLP is not permitted to pledge these assets as security for other borrowings, or to sell them to another entity.

These hydro scheme assets were revalued on the basis of market value, as at 31 May 2024, by Galbraith, an independent firm of chartered surveyors. The valuation conforms to International Valuation Standards and was based on Galbraith's experience and knowledge of the market. The LLP's members are of the opinion that the value at this date was not materially difference from the value as at the year-end.

If revalued hydro scheme assets were stated on a historical cost basis rather than a fair value basis, the total amounts included would have been £6,541,407 (2023: £6,422,835).

Notes to the financial statements
As at 5 April 2024

13. Tangible fixed assets (continued)

	Land £	Commercial Forests £	Hydro Schemes £	Total £
Charity				
At 6 April 2023	92,686	-	-	92,686
At 5 April 2024	92,686	-	-	92,686

The land asset held directly by the foundation is in respect to Kinbuck Woodlands, a medium to long-term commercial investment.

14. Debtors

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade debtors	271,698	68,121	-	-
VAT debtors	-	41,029	7,327	6,770
Other debtors	142,540	152,719	-	-
Loan receivable from subsidiary	-	-	3,730,258	3,480,247
	414,238	261,869	3,737,585	3,487,017

Long term debtors:

Included within 'Trade Debtors' is an amount of £68,121 (2023: £68,121) which falls due for payment after more than one year.

Loan receivable from subsidiary undertaking:

Included within 'Loan receivable from subsidiary' is an amount due from Reo Stakis Hydro Limited, which falls due for payment after more than one year.

The loan is to be repaid over a 30-year period to 1 February 2047. Repayments during the 10-year period to 1 February 2027 are to be made on an interest-only basis. Interest is charged on the outstanding balance of the loan at a rate of 3.00% per annum above the Bank of England base rate, which at the year-end was 5.25% (2023: 4.25%).

A floating charge has been granted over the whole of the property, which is or may be from time-to-time comprised in the property and undertaking of the company to the Trustees of Sir Reo Stakis Charitable Foundation.

Notes to the financial statements
As at 5 April 2024

15. Creditors: amounts falling due within one year

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Bank overdrafts	647,324	-	-	-
Bank loans	-	525,000	-	-
Trade creditors	234,928	294,469	163,011	102,795
Accruals	246,064	88,131	22,752	22,478
Corporation tax	-	69,719	-	-
Other tax and social security	32,842	16,861	-	-
Loan payable to Stakis Hydro LLP	-	-	828,549	-
	<u>1,161,158</u>	<u>994,180</u>	<u>1,014,312</u>	<u>125,273</u>

Bank loans and overdrafts:

The bank overdraft balance of £647,324 (2023: Nil) held by Stakis Hydro LLP is secured by a floating charge over the assets and undertakings of Stakis Hydro LLP, and a standard security over the property at Hydro Schemes Greeto Water and Gogo Water, Halkshill, Ayrshire.

Long-term creditors:

Included within 'Trade Creditors' is an amount of £100,000 (2023: £60,000) which falls due for payment after more than one year.

These amounts relate to charitable donations payable over a specified future period: (i) Paisley Museum (£20,000; payable by 2025); (ii) University of Glasgow Trust (£60,000; payable by 2028); and (iii) University of the West of Scotland (£20,000; payable by 2027).

Loan payable to Stakis Hydro LLP:

The loan payable to Stakis Hydro LLP of £828,549 (2023: Nil) is repayable on demand. Interest is charged on the outstanding balance of the loan at a rate of 2.75% per annum above the Bank of England base rate, which at the year-end was 5.25% (2023: 4.25%).

This loan balance was satisfied in full on 20 August 2024.

16. Restricted funds – Group and Charity

None of the funds of the group or charity are subject to any restriction.

Notes to the financial statements
As at 5 April 2024

17. Unrestricted funds

	Unrestricted General Funds	Unrestricted Capital Funds	Unrestricted Designated Funds	Total Funds
Group:	£	£	£	£
Balance at 6 April 2023	40,887,946	3,556,597	-	44,444,543
Income	2,068,006	-	-	2,068,006
Expenditure	(1,669,115)	-	-	(1,669,115)
Realised and Unrealised Losses	(13,995,275)	-	-	(13,995,275)
Attributable to Minority Interests	1,504,003	-	-	1,504,003
Balance at 5 April 2024	28,795,565	3,556,597	-	32,352,162
Charity:				
Balance at 6 April 2023	40,887,946	3,556,597	-	44,444,543
Income	1,234,040	-	-	1,234,040
Expenditure	(913,593)	-	-	(913,593)
Realised and Unrealised Losses	(12,412,828)	-	-	(12,412,828)
Balance at 5 April 2024	28,795,565	3,556,597	-	32,352,162

Funds are accounted for in accordance with the accounting policies detailed in Note 1. All funds are held for charitable purposes. The unrestricted general funds and capital funds are funds which can be used in accordance with the charitable objectives of the charity, at the discretion of the Trustees.

Comparative information:	Unrestricted General Funds	Unrestricted Capital Funds	Unrestricted Designated Funds	Total Funds
Group:	£	£	£	£
Balance at 6 April 2022	39,021,321	3,556,597	4,500	42,582,418
Income	2,597,596	-	-	2,597,596
Expenditure	(1,863,013)	-	(4,500)	(1,867,513)
Realised and Unrealised Gains	2,321,625	-	-	2,321,625
Attributable to Minority Interests	(1,189,583)	-	-	(1,189,583)
Balance at 5 April 2023	40,887,946	3,556,597	-	44,444,543
Charity:				
Balance at 6 April 2022	39,021,321	3,556,597	4,500	42,582,418
Income	1,720,328	-	-	1,720,328
Expenditure	(815,694)	-	(4,500)	(820,194)
Realised and Unrealised Gains	961,991	-	-	961,991
Balance at 5 April 2023	40,887,946	3,556,597	-	44,444,543

Notes to the financial statements
As at 5 April 2024

18. Analysis of group net assets between funds

	Unrestricted General Funds £	Unrestricted Capital Funds £	Unrestricted Designated Funds £	Total Funds £
Group:				
Investments	15,969,091	3,556,597	-	19,525,688
Tangible Fixed Assets	25,762,686	-	-	25,762,686
Bank and Cash	(557,650)	-	-	(557,650)
Other Current Assets	414,238	-	-	414,238
Creditors: due within one year	(513,834)	-	-	(513,834)
Bank Loans	-	-	-	-
Attributable to minority interests	(12,278,966)	-	-	(12,278,966)
Balance at 5 April 2024	28,795,565	3,556,597	-	32,352,162
Charity:				
Investments	25,947,474	3,556,597	-	29,504,071
Tangible Fixed Assets	92,686	-	-	92,686
Bank and Cash	32,132	-	-	32,132
Other Current Assets	3,737,585	-	-	3,737,585
Creditors: due within one year	(1,014,312)	-	-	(1,014,312)
Balance at 5 April 2024	28,795,565	3,556,597	-	32,352,162

Comparative information:

	Unrestricted General Funds £	Unrestricted Capital Funds £	Unrestricted Designated Funds £	Total Funds £
Group:				
Investments	24,423,657	3,556,597	-	27,980,254
Tangible Fixed Assets	29,827,686	-	-	29,827,686
Bank and Cash	906,274	-	-	906,274
Other Current Assets	261,869	-	-	261,869
Creditors: due within one year	(469,180)	-	-	(469,180)
Bank Loans	(525,000)	-	-	(525,000)
Attributable to minority interests	(13,537,360)	-	-	(13,537,360)
Balance at 5 April 2023	40,887,946	3,556,597	-	44,444,543
Charity:				
Investments	37,206,597	3,556,597	-	40,763,194
Tangible Fixed Assets	92,686	-	-	92,686
Bank and Cash	226,919	-	-	226,919
Other Current Assets	3,487,017	-	-	3,487,017
Creditors: due within one year	(125,273)	-	-	(125,273)
Balance at 5 April 2023	40,887,946	3,556,597	-	44,444,543

19. Related party transactions

Transactions entered into with related parties are as follows:

	Charity 2024 £	Charity 2023 £
Management and consultancy fees	26,949	25,034
Investment management fees	107,796	100,137
Expenses reimbursed	<u>9,268</u>	<u>2,563</u>

The balances due to related parties at the year-end was as follows:

	<u>13,011</u>	<u>12,795</u>
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has been appointed by the Trustees to carry out the day-to-day running of the Sir Reo Stakis Charitable Foundation. He is a brother of each of the Trustees.

	2024 £	2023 £
Trustee expenses:		
Travelling expenses (2024: Paid to two Trustees)	<u>3,550</u>	<u>4,658</u>

None of the Trustees have received any remuneration or benefits-in-kind during the year-ended 5 April 2024.

Group:

Minority Interests detailed on the Group Statement of Financial Activities and Group Balance Sheet relate to key management personnel and Trustees.

Charity:

The Foundation received investment income of £50,000 (2023: £1,100,000) from group entity Stakis Forestry LLP; received dividend income of £365,363 (2023: Nil) from Reo Stakis Hydro Limited; and received interest of £279,648 (2023: £213,648) on the loan receivable from Reo Stakis Hydro Limited (described at Note 14).

The Foundation paid interest of £28,549 (2023: Nil) on the loan payable to group entity Stakis Hydro LLP (described at Note 15).

The Foundation received investment income of £184,753 (2023: £110,787) from The Forestry Partnership 2008 LLP. Andros Stakis is a designated member of this LLP. The Foundation holds an investment into this LLP of 4.75% (directly), and 1.96% (indirectly; via an investment held by Stakis Forestry LLP).

20. Going concern

Group:

The Trustees consider the Group to be a going concern and the financial statements have been prepared on that basis.

The Group meets its day-to-day working capital requirements through available cash resources.

The Trustees are satisfied that the Foundation and Group will continue to meet debts as they fall due going forward.

Subsidiaries:

Reo Stakis Hydro Limited has the continued support of the Sir Reo Stakis Charitable Foundation and the directors have reviewed the budgets for the year ended 5 April 2024 for the Halkshill Hydro schemes. Therefore, the directors consider the company to be a going concern and have prepared the financial statements on that basis.

The designated members of *Stakis Forestry LLP* have considered a period of at least twelve months from the date on which these financial statements have been signed and, having considered all information available to them, believe it appropriate to prepare the financial statements on a going concern basis.

The designated members of *Stakis Hydro LLP* have considered a period of at least twelve months from the date on which these financial statements have been signed and, having considered all information available to them, believe it appropriate to prepare the financial statements on a going concern basis. The designated members are satisfied that the LLP has adequate resources to operate for the foreseeable future.

The consolidated financial statements have therefore been drawn up on a going concern basis.

21. Post Balance Sheet Events

The listed investment portfolio held by the Foundation had appreciated in value to £3,465,815 at the last monthly valuation as at 31 October 2024, as compared to the carrying valuation as at 5 April 2024 of £3,097,275, representing an unrealised gain of £368,540. This asset is included within 'listed investment' assets in Note 11 of the financial statements.

The Bank of England base rate, on which the interest rate on the 'loan receivable from subsidiary' included in Note 14 of the financial statements is predicated, has decreased from 5.25% as at 5 April 2024, to 4.75% as at 7 November 2024.

Sir Reo Stakis Charitable Foundation

Notes to the financial statements

As at 5 April 2024

22. Comparative consolidated statement of financial activities

For the year ended 5 April 2023

	General Fund	Capital Fund	Designated Fund	Total funds 2023
	£	£	£	£
Income and endowments				
Other Trading Activities	1,972,025	-	-	1,972,025
Investment income	625,571	-	-	625,571
Total income	2,597,596	-	-	2,597,596
Expenditure				
Raising funds	1,089,903	-	-	1,089,903
Charitable activities	703,391	-	4,500	707,891
Taxation charge	69,719	-	-	69,719
Total expenditure	1,863,013	-	4,500	1,867,513
Net gains on investment assets	1,222,967	-	-	1,222,967
Net income	1,957,550	-	(4,500)	1,953,050
Other recognised gains				
Gain on revaluation of fixed assets	1,098,658	-	-	1,098,658
Net movement in funds	3,056,208	-	(4,500)	3,051,708
Attributable to:				
Charity	1,866,625	-	(4,500)	1,862,125
Minority Interest	1,189,583	-	-	1,189,583
	3,056,208	-	(4,500)	3,051,708
Reconciliation of funds				
Total funds brought forward	39,021,321	3,556,597	4,500	42,582,418
Net movement in funds	1,866,625	-	(4,500)	1,862,125
Total funds carried forward	40,887,946	3,556,597	-	44,444,543

Notes to the financial statements
As at 5 April 2024

23. Comparative charity statement of financial activities

For the year ended 5 April 2023

	General Fund	Capital Fund	Designated Fund	Total funds 2023
	£	£	£	£
Income and endowments				
Investment income	1,720,328	-	-	1,720,328
Total income	<u>1,720,328</u>	<u>-</u>	<u>-</u>	<u>1,720,328</u>
Expenditure				
Raising funds	112,303	-	-	112,303
Charitable activities	703,391	-	4,500	707,891
Total expenditure	<u>815,694</u>	<u>-</u>	<u>4,500</u>	<u>820,194</u>
Net gain on investment assets	961,991	-	-	961,991
Net movement in funds	<u>1,866,625</u>	<u>-</u>	<u>(4,500)</u>	<u>1,862,125</u>
Reconciliation of funds				
Total funds brought forward	39,021,321	3,556,597	4,500	42,582,418
Net movement in funds	<u>1,866,625</u>	<u>-</u>	<u>(4,500)</u>	<u>1,862,125</u>
Total funds carried forward	<u>40,887,946</u>	<u>3,556,597</u>	<u>-</u>	<u>44,444,543</u>