



Annual Review **2020/21**

A Summary from the Chief Executive

As with wider society, Hutton activities in 2020/21 were affected by the pandemic, which was escalating globally during the early part of the financial year and had a sustained impact throughout the year. Our ability to continue normal operations was particularly constrained during the first quarter, when lockdown measures in Scotland and the UK were at their strictest. During this period, we focused on supporting the national effort and our people, and on identifying ways of working safely and optimally within the restrictions and as guidance evolved.

To the greatest degree possible we continued to pursue the application of our science to address global challenges related to the use of land and natural resources. Some planned activities could not take place in the manner or to the degree originally envisaged, particularly where these required travel to research sites, where work could not satisfactorily be undertaken remotely, and where our work partners' work was slowed or interrupted by COVID-related factors.

Despite these challenges, we were able to progress the agreed year-five deliverables of the current research programme for the Scottish Government. Wider research activity was more affected by the difficult operating circumstances: collaborative projects proved especially challenging where UK and EU partners were affected by the pandemic at different times and to differing degrees.

We nonetheless delivered much of our planned research, with many significant deliverables, publications and further progress in sustaining and extending our Scottish, UK and global collaborations.

A very significant milestone in December 2020 was the UK and Scottish governments' formal approval of the Tay Cities Region Deal (TCRD), allowing us to embark in earnest on the £62m investment at our Invergowrie site in facilities to support the International Barley Hub and the Advanced Plant Growth Centre. The first investment under the Deal was our acquisition of the Invergowrie site from the Scottish Government on 31 March 2021; a key step in our strategy to unlock additional value from the site by moving to operate as an Open Science Campus.

Total income of £39.3m was £3.5m higher than last year's total of £35.8m. This significant increase is largely due to capital income relating to the TCRD, but also includes a £1.1m year-to-year drop in non-Scottish Government research grants and contracts due to the difficult operating circumstances.

Expenditure of £38.4m was slightly higher than last year (£38m) and included a significant write-down of assets associated with the transfer of the Invergowrie site into Hutton ownership. Expenditure was otherwise lower than last year because of the operating constraints. Staff costs in particular were lower than forecast, with a lower headcount after the restructuring exercise that concluded as the pandemic was beginning and with recruitment during the year very slow due to the pandemic. Expenditure on scientific consumables was also lower, directly mirroring lower project activity.

The overall outturn for the year - a surplus of £0.9m, compared to the 2019/20 deficit of £2.2m - reflects the combined impacts of the significant capital income from TCRD and the associated significant impairment charge following the Invergowrie site acquisition, plus the net impact of underlying performance with reduced income but also reduced costs. Given the disrupted operating environment, I consider 2020/21 a good performance, reflecting the very significant efforts from scientific and professional services teams to find ways to sustain our research activities whenever permitted, possible and safe during the year.

While there remain many uncertainties, we have a key national and international role to play to combat the climate and nature crises, and we are optimistic that with commitment and ingenuity we can make a difference.



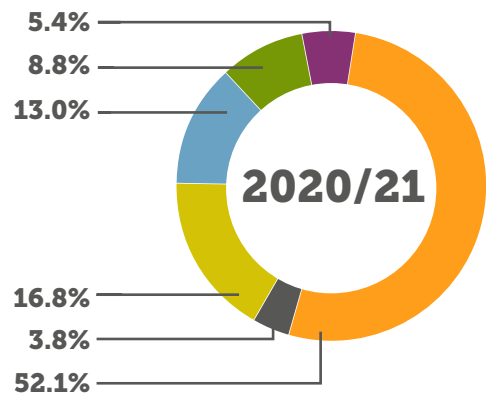
Professor Colin Campbell
Chief Executive



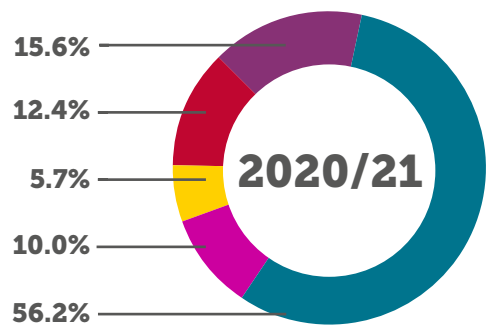
Accounts

Group Annual Report Figures (£000)

Income (£000)	2020/21	2019/20
Scottish Government (RESAS)	20,494	22,630
Capital	1,513	-
	22,007	22,630
Research grants & contracts	6,619	7,764
Tay Cities Deal	5,100	-
Trading income from subsidiaries	3,452	3,479
Other income	2,131	1,930
Total income	39,309	35,803

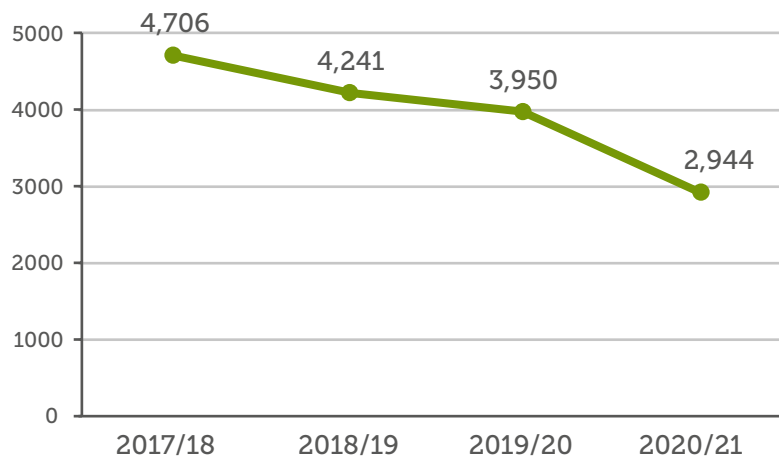


Expenditure (£000)	2020/21	2019/20
Staff costs	21,630	23,889
Scientific consumables	3,857	5,420
Depreciation	2,203	2,295
Asset impairment	4,761	-
Other costs	6,006	6,382
Total expenditure	38,457	37,986



Surplus/(deficit) for the year	852	(2,183)
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Institute CO₂ emissions (tonnes CO₂ equivalent)





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