

PENPONT CHARITABLE TRUST
TRUSTEES' ANNUAL REPORT and FINANCIAL STATEMENTS
For the Year Ended 5 April 2026

CT:

PENPONT CHARITABLE TRUST

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For the Year Ended 5 April 2026

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PENPONT CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT and FINANCIAL STATEMENTS

For the Year Ended 5 April 2026

Legal and Administrative Information

Trustees

James Cook (Chairman)
Patricia Isobel Cook
Lesley Elizabeth Miller Mure

Charity Number

SC023685

Charity Contact Address

7 Cumin Place
Edinburgh
EH9 2JX

Independent Examiner

Steven Smillie CA
CT
Chartered Accountants and Independent Examiner
61 Dublin Street
Edinburgh
EH3 6NL

Bankers

Bank of Scotland Plc
PO Box 1000
BX2 1LB

PENPONT CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT and FINANCIAL STATEMENTS

For the Year Ended 5 April 2026

The Trustees submit their report and the financial statements for the year ended 5 April 2026. 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 Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: 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 (effective 1 January 2019).

Objectives and activities

The Penpont Charitable Trust is for the benefit of, or furtherance of, such purposes, objects or institutions charitable in law giving primary consideration to music, the visual arts and medical research. This proviso imposes no binding obligation on the Trustees and, in exercising their discretion, they give consideration to the wishes of those persons who gift or lend funds to the Trust.

Activities and achievements

The Trustees identify projects and organisations they wish to support. The Trust also makes grants normally ranging from £100 - £5,000 to charitable organisations who apply speculatively but only after careful consideration of the merits of the request.

The Trustees meet annually to consider all applications for funding which have been received in the previous 12 months. In addition, ad hoc meetings are held from time to time to review the progress of various projects supported by the Trust and other matters.

The Trustees normally ask invited organisations to submit a formal application saying how the funds would be used and what would be achieved. The Trustees insist that grants are formally acknowledged.

Financial Review

Income received during the year amounted to £195,335 (2025: £236,569) being £44,742 of dividends (2025: £38,332) and donations totalling £150,593 from 13,015 shares in Scottish Mortgage Investment Trust and 37,063 shares in JP Morgan Global Growth & Income Plc

During the year, grants totalling £105,250 (2025: £73,350) were paid, with £164,000 of grants awarded during the year. In addition, the Trust has approved grants totalling £355,600 for payment in future years. Details of the grants made are included in Note 3 to the financial statements.

The net income for the year, after realised and unrealised losses and gains on investments, was £455,497 (2025: net deficit of £23,753).

Structure, Governance and Management

The Penpont Charitable Trust is a charitable unincorporated association and the purposes and administration arrangements are set out in our constitution.

The Trustees are entitled, by way of resolution passed by majority vote and a meeting of the Trustees, to appoint any individual as a Trustee. It is the policy of the Trustees to ensure that a new Trustee is free from actual or potential conflicts of interest, is likely to make a meaningful contribution to the activities of the Trust and is not disqualified from being a charity Trustee.

PENPONT CHARITABLE TRUST**TRUSTEES' ANNUAL REPORT and FINANCIAL STATEMENTS (continued)****For the Year Ended 5 April 2026****Structure, Governance and Management (continued)**

The Chair of Trustees is responsible for the induction of any new Trustee which involves awareness of a Trustee's responsibilities, the governing document, administrative procedures, the history and philosophical approach of the charity. A new Trustee will receive copies of the previous year's annual report and financial statements and a copy of the Charity Commission leaflet 'The Essential Trustee: What You Need to Know'.

The Trust considers its key management personnel comprise of the Trustees.

Risk management

The Trustees annually review the risks that the charity faces. The Trustees actively manage the investment portfolio. Risks are deemed to be mitigated as the small number of investment trusts are conservatively managed, have diversified portfolios, good track records and competitive charges. The performance of these trusts is regularly monitored by the Chairman who holds these trusts in his personal portfolio. In looking to the future, the Trustees have become aware of risks associated with making grants (for example fraud and charities seeking two grants for the same project) and take steps to mitigate these.

Reserves policy

Reserves held at 5 April 2026 amounted to £1,922,749 (2025: £1,467,252). The Trustees' intention is to spend the investment income of the Trust each year on charitable causes, although there is no restriction on using capital if there is insufficient income. As at the year end the Trust had commitments that will be funded both from existing reserves and projected income during future years. The Trustees are satisfied that the current reserves, together with projected investment income, are sufficient to support their anticipated level of donations for the coming year.

Investment policies

The investments held by the Trust are deemed to be of low to medium risk and are invested to allow for adequate levels of income and capital growth. Value of investments have increased by £510,948 over the course of the year due to additions of shares valued at £206,361 and gift of shares received valued at £150,594, the realised gain on disposal of shares with a value of £42,388 and the gain in the value of investments of £383,442 that occurred in the year to 5 April 2026. In addition, there were disposal proceeds of £271,837 that were used to assist in funding grant commitments. Movements in investments can be seen at note 5.

Future plans

In the current year, the Trustees plan to continue to support a range of charities, including IMPACT Scotland (for the construction of a new concert hall in Edinburgh), the Scottish Chamber Orchestra, and The Edinburgh International Festival. In respect of IMPACT Scotland, the release of the grants which are provided for in the accounts is conditional on certain criteria to be met, details of which are set out in note 8.

PENPONT CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT and FINANCIAL STATEMENTS

For the Year Ended 5 April 2026

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 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 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 charity will continue in operation.

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 Charity's constitution.

The Trustees 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.

On behalf of the Trustees

James Cook
James Cook

19 June 2026
Date

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PENPONT CHARITABLE TRUST

CT:

I report on the financial statements of Penpont Charitable Trust for the year ended 5 April 2026 which comprise the Statement of Financial Activities, the Balance Sheet and related notes including the significant accounting policies.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 as amended (the Regulations). The charity's trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the Act and Regulation 4 of the Regulations; and
 - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the Regulations;
 have not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Use of this report

This report is made to the trustees, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the financial statements on behalf of the trustees and report my opinion and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the trustees, as a body, for my work or for this report.

Steven Smillie

Steven Smillie CA
CT
Chartered Accountants and Independent Examiner
61 Dublin Street
Edinburgh
EH3 6NL

19 June 2026

PENPONT CHARITABLE TRUST**STATEMENT OF FINANCIAL ACTIVITIES****For the Year Ended 5 April 2026**

Unrestricted Funds	Notes	2026 £	2025 £
Income and endowments from:			
Donations and legacies		150,593	198,237
Investment income	2	44,742	38,332
Total income		<u>195,335</u>	<u>236,569</u>
Expenditure on:			
<i>Raising funds</i>			
Investment brokerage execution and custody charges		150	2,650
<i>Charitable activities</i>			
Grants awarded	3	164,000	148,900
Support and governance costs	4	1,518	1,400
Total expenditure		<u>165,668</u>	<u>152,950</u>
Net income/(expenditure) before investment losses and gains		<u>29,667</u>	<u>83,619</u>
 Realised gains on investments		42,388	3,498
Unrealised gains/(losses) on investments	5	383,442	(110,870)
Net (deficit)/income and net movement in funds		<u>455,497</u>	<u>(23,753)</u>
Reconciliation of funds:			
Total funds brought forward		<u>1,467,252</u>	<u>1,491,005</u>
Total funds carried forward		<u><u>1,922,749</u></u>	<u><u>1,467,252</u></u>

All funds are unrestricted.

All income and expenditure derive from continuing activities.

The notes on pages 8 to 12 form part of these financial statements.

PENPONT CHARITABLE TRUST**BALANCE SHEET****As at 5 April 2026**

	Notes	2026 £	2025 £
Fixed assets			
Investments	5	2,239,750	1,728,802
		<u> </u>	<u> </u>
Current assets			
Debtors	6	6,907	3,819
Cash at bank and in hand		33,210	32,861
		<u> </u>	<u> </u>
Total current assets		40,117	36,680
Liabilities			
Creditors falling due within one year	7	(63,118)	(99,830)
		<u> </u>	<u> </u>
Net current liabilities		(23,001)	(63,150)
		<u> </u>	<u> </u>
Total assets less current liabilities		2,216,749	1,666,652
		<u> </u>	<u> </u>
Creditors falling due after one year	8	(294,000)	(198,400)
		<u> </u>	<u> </u>
Net assets		1,922,749	1,467,252
		<u> </u>	<u> </u>
Represented by:			
Unrestricted General Fund		1,922,749	1,467,252
		<u> </u>	<u> </u>
Total charity funds		1,922,749	1,467,252
		<u> </u>	<u> </u>

Approved by the Trustees and signed on their behalf by:-

James Cook

James Cook, Trustee

19 June 2026

Date

The notes on pages 8 to 12 form part of these financial statements

PENPONT CHARITABLE TRUST

NOTES to the FINANCIAL STATEMENTS

For the Year Ended 5 April 2026

1. Accounting Policies

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements have been prepared in pounds sterling rounded to the nearest pound, under the historical cost convention with the exception of investments which are shown at market value.

Going concern

The financial statements have been prepared on a going concern basis. The Trustees have assessed the Trust's ability to continue as a going concern and have reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these financial statements.

Income recognition

All income is recognised once the Trust has entitlement to the income, there is sufficient probability of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations are recognised when they have been communicated in writing with notification of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Trust is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Trust and it is probable that those conditions will be fulfilled in the reporting period.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to that expenditure. All expenditure is accounted for on an accruals basis and all expenses are allocated to the applicable expenditure headings. Irrecoverable VAT is charged to the Statement of Financial Activities as incurred.

Grants are awarded to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the Trust.

A provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Trust that would permit the Trust to avoid making the future payments, settlement is probable, and the effect of discounting is material. The discount rate used is the rate offered on government bonds (Gilts) for a commensurate or similar time period offered in the year in which the grant award is made.

PENPONT CHARITABLE TRUST**NOTES to the FINANCIAL STATEMENTS****For the Year Ended 5 April 2026****1. Accounting Policies (continued)**

Support costs have been differentiated between governance costs and other support costs. Governance costs include the costs of general governance of the charity as opposed to direct management inherent in meeting charitable objectives and are those costs associated with strategic, constitutional and statutory requirements.

Costs of raising funds

The costs of raising funds consist of investment management fees.

Charitable activities

Costs of charitable activities include grant awards and support and governance costs as detailed in notes 3 and 4.

Taxation

The Trust is a registered charity and accordingly is exempt from taxation on its income and gains when they are applied for charitable purposes.

Funds structure

The unrestricted general fund comprises donations and other income received or generated for expenditure on the general objectives of the charity.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently at fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The trust does not acquire or use put options, derivatives or other complex financial instruments.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

2. Investment income

	2026	2025
	£	£
Dividends receivable	44,742	38,332

PENPONT CHARITABLE TRUST**NOTES to the FINANCIAL STATEMENTS****For the Year Ended 5 April 2026**

3. Grants awarded	2026	2025
	£	£
<i>Grants approved in 2025/26 and in 2024/25</i>		
Branch Out Together	-	3,600
Edinburgh Festival Trust	-	7,600
IMPACT Scotland	150,000	-
Nordoff Robins	-	3,600
NYOS	-	3,600
Scottish Chamber Orchestra	-	125,000
One-off donations	14,000	5,500
	<u>164,000</u>	<u>148,900</u>
	<u><u>164,000</u></u>	<u><u>148,900</u></u>
4. Support and governance costs	2026	2025
	£	£
Governance costs		
Independent examination fee	1,518	1,400
	<u>1,518</u>	<u>1,400</u>
	<u><u>1,518</u></u>	<u><u>1,400</u></u>
5. Investments	2026	2025
	£	£
Market value at 5 April 2025	1,728,802	1,694,178
Additions	206,361	-
Additions – Gifts	150,594	198,236
Disposals proceeds	(271,837)	(56,240)
Realised gains/(losses)	42,388	3,498
Unrealised gains/(losses)	383,442	(110,870)
	<u>2,239,750</u>	<u>1,728,802</u>
	<u><u>2,239,750</u></u>	<u><u>1,728,802</u></u>
Market value at 5 April 2026	2,239,750	1,728,802
	<u>2,239,750</u>	<u>1,728,802</u>
	<u><u>2,239,750</u></u>	<u><u>1,728,802</u></u>
Historical cost	1,227,382	1,436,988
	<u>1,227,382</u>	<u>1,436,988</u>
	<u><u>1,227,382</u></u>	<u><u>1,436,988</u></u>

Investments are all listed on the London Stock Exchange and are valued at their closing market value at the balance sheet date.

	Cost	Market Value
	£	£
120,130 JPMorgan Trust Global Growth & Income	528,138	661,916
53,926 Alliance Witan Trust	463,868	662,211
72,210 Scottish Mortgage Investment Trust	235,376	915,623
	<u>1,227,382</u>	<u>2,239,750</u>
	<u><u>1,227,382</u></u>	<u><u>2,239,750</u></u>

PENPONT CHARITABLE TRUST**NOTES to the FINANCIAL STATEMENTS****For the Year Ended 5 April 2026**

The main risk to the Trust is a deterioration in the value of its investment portfolio due to uncertain economic conditions as monetary policy pursued by central banks tightens in order to curb inflation. The four investment trusts held in the portfolio are subject to the risk that their share prices trade at a discount or a premium to net asset value. The potential for such discounts to increase or decrease is a source of volatility in the value of the Trust's portfolio.

The Trust's investments are mainly traded in markets with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Trust manages these investment risks by operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges.

6. Debtors	2026	2025
	£	£
Dividends receivable	6,907	3,819
7. Creditors falling due within one year	2026	2025
	£	£
<i>Grant awards approved but unpaid:</i>		
Scottish Chamber Orchestra	25,000	25,000
St Mary's Music School	-	20,000
IMPACT Scotland	30,000	30,000
Other grants under £5k	6,600	23,450
Independent Examination accrual	1,518	1,380
	63,118	99,830
8. Creditors falling due in more than one year	2026	2025
	£	£
<i>Grants approved but unpaid:</i>		
IMPACT Scotland	240,000	90,000
Scottish Chamber Orchestra	50,000	100,000
Edinburgh Festival Trust	4,000	6,000
Other grants under £5k	-	2,400
	294,000	198,400

On 13 June 2019, the Trustees agreed to make a grant of £100,000 to IMPACT Scotland towards the construction of a new concert hall – the Dunard Centre – in Edinburgh. On 17 December 2020 the Trustees agreed to increase their grant to £150,000. £30,000 of this grant was released in December 2021 and the balance retained due to the uncertainty on the costs of the project and on the funding position.

On 30 January 2026 the Trustees agreed to increase the total grant from £150,000 to £300,000 i.e. £270,000 net of the £30,000 released in December 2021. Of the £270,000, £30,000 will be released when the Scottish Government's pledge of an additional £20m contribution to the project is unconditionally binding. The balance of £240,000 will be released when a Certificate of Practical completion of the project has been issued.

PENPONT CHARITABLE TRUST**NOTES to the FINANCIAL STATEMENTS****For the Year Ended 5 April 2026**

On 4 July 2023, three-year pledges were agreed and awarded to the Lammermuir Festival (£1,700 per annum), The Benedetti Foundation (£2,200 per annum), The New Town Concerts Society (£2,000 per annum), The Edinburgh International Festival (£1,200 per annum), the Royal Botanic Gardens (£1,500 per annum), Sight Scotland (£1,200 per annum), Edinburgh Youth Orchestra (£1,200 per annum), Asthma Relief (£1,200 per annum), Meningitis Now (£1,200 per annum), Ataxia (£1,200 per annum), Alzheimer's Scotland (£1,200 per annum), Street Assist (£1,200 per annum), JDRF Type 1 Diabetes (£1,200 per annum) and Dr Neil's Garden Trust (£850 per annum).

On 7 July 2024, A new five-year pledge of £25,000 per annum would be made to Scottish Chamber Orchestra. Branch Out Together would be given a new three-year pledge of £1,200 per annum. NYOS would be granted a fresh three-year pledge of £1,200 per annum.

9. Analysis of movements in unrealised gains on investment assets

	£
Unrealised gains at 5 April 2025	291,814
Prior year gains realised	(39,278)
Net unrealised gains arising on revaluations and reorganisations in year	759,832
Unrealised gains at 5 April 2026	1,012,368

10. Related party transactions

Unrestricted donations from trustees amounted to £150,593 (2025: £198,237).

11. Trustee Remuneration

The trustees, who are the key management personnel, received no remuneration or other benefits during the year and no expenses were reimbursed to them. It should be noted that the trust had no employees in the current or prior year.