

Company Registration Number - 08391977

DINWOODIE CHARITABLE COMPANY
(Limited by guarantee)
Registered Charity No.1151139

FINANCIAL STATEMENTS

For the year ended 31st March 2025

Irwin Mitchell LLP
Thomas Eggar House
Friary Lane
Chichester
PO19 1UF

DINWOODIE CHARITABLE COMPANY
Registered Charity No.1151139

Index to the Financial Statements for the year ended 31st March 2025

Page

| | |
|-------|-----------------------------------|
| 1-5 | Annual report |
| 6-8 | Independent Auditor's Report |
| 9 | Balance Sheet |
| 10 | Statement of Financial Activities |
| 11 | Statement of Cash Flows |
| 12-17 | Notes to Financial Statements |

DINWOODIE CHARITABLE COMPANY
Registered Charity No 1151139

1

DIRECTORS' REPORT

For the year ended 31st March 2025

| | |
|--|---|
| Full name of Charity: | Dinwoodie Charitable Company |
| Nature of governing document: | Memorandum and Articles of Association dated 7 February 2013 |
| Company Number: | 08391977 |
| Directors (and Charity Trustees): | Ian Michael Goalen FCA (Chairman) Elizabeth Ann Hughes MBE FRCP John Pears FRICS, FIMMM, CEng, FIQ (retired 8 April 2025) Richard John Miner FCA Christine Hall MB ChB, FRCS, ChM |
| Registered Office and Charity Administration: | c/o Irwin Mitchell LLP, Riverside East, 2 Millsands, Sheffield, South Yorkshire, S3 8DT and Thomas Eggar House, Friary Lane, Chichester, PO19 1UF. |
| Principle address: | 10 Ashfern Drive, Sutton Coldfield, B76 1JD |
| Banker: | Barclays Bank Plc, Universal Banking 2; Leicester LE87 2BB. |
| Solicitors: | Knights, The Brampton, Newcastle-Under-Lyme, Staffordshire, ST5 0QN Higgs LLP, 3 Waterfront Business park, Brierley Hill, West Midlands, DY5 1LX |
| Auditors: | Sumer Audit, Piper House, 4 Dukes Court, Bognor Road, Chichester, West Sussex PO19 8 FX |
| Investment Managers: | Quilter Cheviot, Floor 6, One Centenary Way, Birmingham, B3 3AY |
| Mineral Agent: | John D Pears, Mineral Consultant, Brelades, Peacock Lane, Hanchurch, Stoke on Trent, ST4 8ZR |
| Operating Restrictions: | Charitable objects according to the Law of England |
| Specific investment powers: | Wide unrestricted powers are given to the Directors |

Dinwoodie Charitable Company ("**DCC**") is a company limited by guarantee. It commenced charitable activities on 5th April 2013, taking over the activities from the Dinwoodie 1968 Settlement, a registered charitable trust (number 255495).

None of the Directors has any beneficial interest in the company. All directors are members of the company and guarantee to contribute £1 in the event of a winding up.

Charity Governance Code

The directors are mindful of the seven principles of the Charity Governance Code and set out in the following paragraphs the approach adopted by the Directors in running the Charity. Further information relating to the Charity may be found on the website www.dinwoodiecharity.com

DINWOODIE CHARITABLE COMPANY
Registered Charity No 1151139

2

Grant making policy:

The Directors endeavour to be pro-active in pursuing the principal objective of the Charity which is to improve the provision of medical and healthcare education and training.

More specifically the Directors have looked to encourage the further education of doctors and their teams and by funding research into novel education techniques and strategies.

- While many of our successful collaborations have involved the provision of educational infrastructure, we are keen to interpret our aims flexibly and to support innovative projects that address gaps in education or approaches to patient care that do not yet attract mainstream funding and that we identify as potential best practice for the future. Projects should be seen as potentially scaleable at regional, national or international level, with patient benefit as a likely outcome. Funding will normally be on a matched basis to demonstrate commitment from the organisation applying. Our contributions are typically in the range of £50,000 to £1m.

Our current priorities and interests include:

- Innovation in educational technology and processes. It is likely that this will be at the level of "proof of concept"
- All aspects of medical professionalism and leadership
- Patient and Clinician education and communication, including in the area of shared decision making
- Projects related to new models of care

Factors which will help to attract funding include:

- Sustainability, both in terms of the project itself (i.e. the ability to provide for future operating costs etc) and the organisation backing it (i.e. that standards of care, finance and the backing of leadership are appropriate)
- A positive "business case", where benefits or savings will exceed the investment of the project costs
- A planned pathway from "proof of concept" to implementation in collaboration with and participation of potential users; this may require the actual or possible future alignment with the strategy of the NHS or other umbrella organisations
- Measurable benefits to patients and a commitment to provide this information to the Charity after implementation

The charity is less likely to fund:

- Basic scientific research unless related to medical education
- The "on-costs" of infrastructure projects (maintenance, refurbishment, replacement, and salaries other than for directly relating to project management)
- Undergraduate education (although consideration might be given to innovative proposals from new medical schools)
- Projects in vulnerable institutions unless these are part of an agreed turn-around process

The board of Directors have paid due regards to guidance issued by the Charity Commission on public benefit.

Recent Grant Awards

The impact of the Covid 19 Pandemic on the health sector has been widely reported. A consequence of this has been a delay in implementation of projects already approved, and a decline in grant applications, resulting in an increase in the cash holding by the charity. Despite this the Charity has received a number of applications and have made the following awards.

The Charity paid out £272,000 to East Lancashire Hospitals NHS Trust during the year, a sum it had previously accrued, No other awards in excess of £100,000 were paid out during the year.

GA: 5134938_1

DINWOODIE CHARITABLE COMPANY
Registered Charity No 1151139

3

At the year end a number of previously significant awards remain outstanding or are awaiting completion. These projects haven't commenced and therefore the charity is not committed. These include Cicely Saunders International for £509,000, the University of Hertfordshire for £258,000, the Brain and Spine Foundation for £473,000 and a commitment to Walsall Healthcare NHS Trust/Staffordshire University for £250,000 was also recognised. Subsequent to the year end, the Charity approved an award to the Charles Hastings Education Centre, located on the Royal Worcester Hospital site, for £509,000.

Financial review and investment policy:

The Charity has the benefit of income from its existing investment assets and the Directors are seeking additional sources of income that would enable them to extend the level of grants made.

This review is based on figures for the year ended 31st March 2025 with comparisons with the year to 31st March 2024.

The Charity's existing assets fall into three main categories:-

1. Investment Properties - freehold land in Staffordshire with major mineral rights from a bequest made by the Dinwoodie family. This asset was sold to the tenant company, Tarmac Trading Limited during the year.
2. A managed portfolio of investments
3. Cash

The Directors' responsibilities with regard to each are outlined below.

1) Investment Properties

Prior to the sale of freehold land, the Directors met annually in Staffordshire with their mineral agents and their tenants as appropriate.

i) Property Information

DCC's freehold land was tenanted by Tarmac Ltd- a CRH company ("**TM**") under terms of a 40 year lease expiring 30 June 2030. The quarry extracted in the Sherwood Sandstone group which is part of one of the largest sand and gravel mineral deposits in Europe. TM excavated the minerals under a permission from Staffordshire County Council ("**SCC**").

The Croxden Quarry was sold during the year. The surplus on the disposal was calculated using the revaluation by Hallett Environmental Ltd, Chartered Surveyors at £3,950,000 (2023: £3,150,000). This took into account of the values of the quarry's projected outputs and reserves for the foreseeable future from freehold land owned by the charity as well as additional royalty payments due on the extraction of minerals from adjoining land owned by Tarmac, together with planning permissions either obtained or pending. At the same time, Coneydale Farm was revalued by Bagshaws, Chartered Surveyors at a market value of £275,000 (2023: historical agricultural land value of £610,000) absent any value attributable to its mines and minerals, due to a lease, and therefore which are already included within the value of the quarry. In both cases, in the opinion of the directors, the valuations reflect the fair value of the investment properties.

ii) Croxden Quarry Rent and Royalties

Under the terms of the Croxden Lease, royalties were payable on mineral tonnes sold during each year to 30th June.

There was provision for an annual guaranteed rent payment based on sales of 500k tonnes and for royalty payments on sales above that level. Certain Rent, the name given to the annual guaranteed rent payment, was payable in advance on 1st July, and is subject to annual indexation based on the Retail Price Index ("RPI").

The Certain Rent effective 1st July 2024 is £382,736 (year ended 31 March 2024 - £371,731).

DINWOODIE CHARITABLE COMPANY
Registered Charity No 1151139

4

iii) Coneydale Farm Lease

Coneydale Farm had potential reserves for future gravel extraction and was occupied by a tenant who managed it as a 100 acre mixed livestock and cereal farm.

2) Managed Portfolio of Investments

There are no restrictions on the Charity's power to invest. Since the beginning of January 2023, the portfolio has been managed by Quilter Cheviot on a discretionary basis.

The portfolio is almost exclusively invested in equities, directly or indirectly via collective fund vehicles. The investment policy agreed by the Directors, which is reviewed annually, is one of capital growth with a moderate level of risk. The Charity accepts a 5 year investment horizon in keeping with the medium to long term nature of equity investment. An appropriate benchmark has been agreed with the investment managers for measuring the performance of the portfolio. Directors determine an annual budget for income from the portfolio at their autumn meeting following consultation with the investment manager.

In addition to a valuation at the end of the financial year, the investment manager provides the Directors with a valuation and formal review every six months as at the end of March and December, with on-line summary reports in the intervening periods. The half yearly reports are considered at the half yearly Directors' meetings.

At 31st March 2025 the portfolio of investments based on middle market had a value of £2,626k (2024 - £2,669k). The capital value of the portfolio thus decreased in the financial year by £43k (2024 - increase £354k).

The portfolio produced investment income, net of tax, for the year to 31st March 2025 of £50k (2024 - £48k). This represented an overall yield of 1.90% (2024 - 1.80%) based on the mean value of investments at the beginning and end of the financial year.

3) Cash

Changes in cash levels were dictated by the sale of the investment property. The cash balance at 31st March 2025, prior to its investment, was £7,979,025 compared with £2,493,704 a year earlier, a rise of £5,485,321.

The cash funds are under the supervision of the Charity's administrators, the Trust Department at Irwin Mitchell. They advise on the placement of the cash at appropriate interest rates. Some of the Charity's cash holdings have been placed on deposit with the Flagstone "platform" a facility that offers higher rates of interest.

Organisation

The Directors also act as Trustees of the Charity. Since the activation of the Trust in 1971, the Trustees have been drawn from qualified professional and medical backgrounds. When a vacancy occurs individuals are approached to offer themselves for election. The composition of the Board is diverse and set to mirror the needs of the Charity and consists of individuals with skills in either the medical, financial, or mineral extraction sectors.

Prospective Directors are given an induction and usually attend at least one Board Meeting before election.

Formal Directors' meetings take place regularly twice a year, in the Spring and Autumn, and otherwise as appropriate to review grant applications. The Directors maintain contact with each other between meetings as necessary.

Active management of the Charity's affairs is delegated to a part time Managing Trustee who is remunerated on an hourly basis. The responsibilities include, inter alia, liaison with and review of the activities of the professional advisors managing the Charity's assets, approval of expenditure, formalising the terms of charitable grants, and overseeing charitable and corporate governance.

A sub-group composed of the Directors with medical qualifications initially evaluate grant applications made to the Charity. Visits are arranged to sites potentially qualifying for support and then, if appropriate, a written

GA: 5134938_1

DINWOODIE CHARITABLE COMPANY
Registered Charity No 1151139

5

commitment made setting out the agreed conditions including any time limits.

Information with regard to Related Parties is disclosed in Note 15 to the Accounts for the year ended 31 March 2025.

Reserves policy:

The trustees regularly assesses its likely expenditure, including the minimal levels of operating expenditure required, for the foreseeable future being at least 12 months, noting that the majority of this is discretionary. Therefore, it is always sighted on what is available within its current and foreseeable resources. The trustees have paid due regard to the Charities Commission public benefit guidance.

Risk management:

The Directors have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Charity has in place insurance cover up to £2million, through Q Underwriting, in respect of

- Trustees and Individual Liability
- Professional Legal Liability

Future Plans

The Directors plan to continue to recycle cash funds, in excess of the Charity's requirements to meet charitable commitments and its reserves policy, into further Charitable Grants in accordance with its grant making policy. As noted previously the Directors would be open to receiving additional bequests from the public to enable it to expand the level of grants awarded.

Directors' responsibilities in relation to the financial statements and audit disclosure:

Law applicable to charities in England and Wales requires the Trustees, who are also Directors of DCC for the purposes of company law, to prepare financial statements for each financial period which give a true and fair view of the Charity's financial activities during the period and of its financial position at the end of the period. In preparing those financial statements, the Directors are required to:

1. select suitable accounting policies and then apply them consistently;
2. make judgements and estimates that are reasonable and prudent;
3. state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements;
4. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business; and
5. observe the methods and principles in the Charities SORP.

The Directors are responsible for ensuring that accounting records are kept which 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 Act 2011 and the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Ian Goalen

.....
I.M. Goalen

Richard J. Miner

.....
R.J.Minor

22 December 2025

.....
Dated

GA: 5134938_1

DINWOODIE CHARITABLE COMPANY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF DINWOODIE CHARITABLE COMPANY

Opinion

We have audited the financial statements of the Dinwoodie Charitable Company (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the cashflow statement, 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 charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

We have nothing to report in this regard.

DINWOODIE CHARITABLE COMPANY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF DINWOODIE CHARITABLE COMPANY

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 and Reports) Regulations 2008 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
- sufficient accounting records have not been kept; or
- the 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 trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 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 auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made under section 154 of that Act.

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.

Identification and assessment of irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Obtaining an understanding of the legal and regulatory framework that the company operates in, focusing on those laws and regulations that had a direct effect on the financial statements and operations;
- Obtaining an understanding of the company's policies and procedures on fraud risks, including knowledge of any actual, suspected or alleged fraud; and
- Discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud through our knowledge and understanding of the company and our sector-specific experience.

As a result of these procedures, we considered the opportunities and incentives that may exist within the company for fraud. We are also required to perform specific procedures to respond to the risk of management override. As a result of performing the above, we identified the following areas as those most likely to have an impact on the financial statements: health & safety, employment law and compliance with the UK Companies Act and Charities Act.

In addition to the above, our procedures to respond to risks identified included the following:

- Making enquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

DINWOODIE CHARITABLE COMPANY

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF DINWOODIE CHARITABLE COMPANY

Due to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Jordan Abbott BSc ACA
for and on behalf of Sumer Audit
Chartered Accountants
Statutory Auditor

23/12/2025
.....

Dated

Piper House
4 Dukes Court
Bognor Road
Chichester
West Sussex
PO19 8FX

Sumer Audit is a trading name of Sumer Auditco Limited and is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

DINWOODIE CHARITABLE COMPANY
Registered Charity No.1151139
Balance Sheet as at 31st March 2025

| | <u>Note</u> | | <u>2025</u> | <u>2024</u> |
|--|-------------|-----------|---------------------|--------------------|
| Fixed Assets | | | | |
| Investment Properties at value | 3 | - | 3,950,000 | |
| Land at Croxden Quarry | | - | 275,000 | |
| Coneydale Farm | | - | 4,225,000 | |
| | | | | |
| Investments at value | 4 | 2,798,706 | 2,668,663 | 6,893,663 |
| | | | <u>2,798,706</u> | <u>6,893,663</u> |
| | | | <u>2,798,706</u> | |
| Current Assets | | | | |
| Debtors | 6 | 0 | 6,948 | |
| Cash at bank and in hand | 7 | 7,979,025 | 2,493,703 | |
| | | 7,979,025 | 2,500,651 | |
| Liabilities falling due within one year | | | | |
| Creditors | 8 | 259,000 | 535,904 | |
| Net Current Assets | | | <u>7,720,025</u> | <u>1,964,747</u> |
| Total Assets less Current Liabilities | | | <u>£ 10,518,731</u> | <u>£ 8,858,410</u> |
| Fund Balance | | | | |
| Unrestricted | | | <u>£ 10,518,731</u> | <u>£ 8,858,410</u> |

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

22 December 2025

The financial statements were approved by the Board of Directors on.....and signed on its behalf by

Company Registration No. 08391977

Ian Goalen
Director
Ian Goalen

Richard Miner
Director


The notes on pages 13 to 18 form part of these accounts.

DINWOODIE CHARITABLE COMPANY
Registered Charity No.1151139

Statement of Financial Activities for the year ended 31st March 2025
(Including Income and Expenditure Account)

| | <u>Note</u> | <u>2025</u> | <u>2024</u> |
|---|-------------|----------------------------|---------------------------|
| <u>INCOME & EXPENDITURE</u> | | | |
| Incoming Resources | | | |
| Investments | 9 | 505,179 | 663,014 |
| Total Incoming Resources | | <u>505,179</u> | <u>663,014</u> |
| Resources expended | | | |
| Raising funds | 10 | (45,931) | (26,858) |
| Charitable Activities | 11 | <u>(165,375)</u> | <u>(45,645)</u> |
| Total Resources Expended | | <u>(211,306)</u> | <u>(72,503)</u> |
| Net gains/(losses) on investments | | | |
| Realised gains on disposal of fixed asset investments | | 9,904 | 27,786 |
| Gains on revaluation of fixed asset investments | 4 | 85,233 | 292,689 |
| Gains on sale/revaluation of fixed asset property | | 1,275,000 | 465,000 |
| Foreign Exchange adjustment | | <u>(3,690)</u> | <u>(7,025)</u> |
| Net income/(expenditure) | | <u>1,660,321</u> | <u>1,368,961</u> |
| Balance brought forward | | <u>8,858,410</u> | <u>7,489,449</u> |
| Fund Balance | | £ <u>10,518,731</u> | £ <u>8,858,410</u> |

The Charity has no recognised gains or losses other than those dealt with in the Statement of Financial Activities.

The notes on pages 12 to 17 form part of these accounts.

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

DINWOODIE CHARITABLE COMPANY
Registered Charity No.1151139

Statement of Cash Flows for the year ended 31st March 2025

| | <u>Note</u> | Total year ended <u>2025</u> | Total year ended <u>2024</u> |
|--|--------------------|---|---|
| Net cash used in operating activities | 18 | <u>(493,873)</u> | <u>(134,808)</u> |
| Cash flows from investing activities:- | | | |
| Interest | | 115,675 | 127,862 |
| Rents | | 6,779 | 8,700 |
| Royalties | | 382,726 | 520,630 |
| Wayleaves | | - | 66 |
| Purchase of investments | | (271,017) | (1,123,915) |
| Proceeds from sale of investment properties | | 5,500,000 | - |
| Proceeds from sale of investments | | <u>245,031</u> | <u>1,088,182</u> |
| Net cash provided by Investing activities | | 5,979,193 | 621,525 |
| Change in cash and cash equivalents in year | | 5,485,321 | 486,717 |
| Cash brought forward | | <u>2,493,704</u> | <u>2,006,987</u> |
| Cash carried forward | | £ <u>7,979,025</u> | £ <u>2,493,704</u> |

DINWOODIE CHARITABLE COMPANY
Registered Charity No 1151139

12

Notes to the Accounts for the year ended 31 March 2025

1 ACCOUNTING POLICIES

The Dinwoodie Charitable Company is an incorporated charity, limited by guarantee, registered in England and Wales, company number 08391977 and charity number 1151139. The registered address is c/o Irwin Mitchell LLP, Riverside East, 2 Millsands, Sheffield, South Yorkshire, S3 8DT

1.1 ACCOUNTING CONVENTION

These accounts have been prepared in accordance with "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2019. The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared on the historical cost convention modified for the revaluation of investments. The principal accounting policies adopted are set out below.

1.2 GOING CONCERN

At the time of approving the accounts, the trustees have reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees' continue to adopt the going concern basis of accounting in preparation of the accounts.

1.3 CHARITABLE FUNDS & FUND ACCOUNTING

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 INVESTMENTS AND INVESTMENT INCOME

Incoming resources includes investment income, which is recognised when the charity has a legal right to the income.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the fair value at the beginning of the reporting period of the asset, and is recognised in net income/(expenditure) for the year.

All investments are stated at fair value and the movement shown comprises both realised and unrealised gains and losses.

Realised gains or losses arising on the disposal of investments (together with provisions for diminution in value), are credited or debited to the Statement of Financial Activities, and subsequently transferred to Unrestricted Funds.

Investment properties are stated at fair value at each balance sheet date with any change in fair value being reported through the income and expenditure account. Independent professional valuations are carried out as often as deemed appropriate by the directors to ensure that the asset is recorded at fair value. The properties were last valued by independent professionals in 2024. The Directors carry out a calculation each year to reflect the wasting asset to ensure that it is carried at fair value.

1.5 ROYALTY INCOME

The investment land at Croxden Quarry is tenanted by Lafarge Tarmac Limited under an agreement dated 16 November 1990. The tenancy terms provide for a royalty on every tonne of mineral extracted from within the Quarry but with a minimum annual prepayment, referred to as "certain rent", equal to the royalties due on the first 500,000 tonnes. The Certain Rent is due on 1 July each year. Royalties are adjustable upwards annually to

DINWOODIE CHARITABLE COMPANY
Registered Charity No 1151139

13

match any increase in the Retail Price Index.

Royalties are computed on sale, that is minerals taken out of the Quarry. When the total of royalties earned exceed the Certain Rent, the additional royalties are determined quarterly and payable in the following month. If the total of royalties earned falls short of the Certain Rent, the shortfall is offset against additional royalties payable in the subsequent three years. In the year to 30 June 2024, there was no shortfall. The amount carried forward in respect of shortfalls in the previous years totalled nil.

The Certain Rent is credited to the Statement of Financial Activities when received. Any subsequent Royalty instalments are treated on an accrual basis and are recognised in the accounts when they become receivable.

1.6 CHARITABLE ACTIVITIES

The cost of charitable activities consists of grants made. A grant towards a postgraduate medical centre project is charged fully to expenditure in the accounting year of the project commencement. A grant on a project which has not commenced before the accounting year end is included as a commitment. Grants in respect of research fellowships are charged in the accounting period in which they accrue. In accordance with the SORP, this best reflects the timing of the obligations created by the charity to provide grant payments.

1.7 COST OF GENERATING FUNDS

The cost of generating funds consists of investment management fees, mineral agents' fees and quarry and farm management costs.

1.8 GOVERNANCE COSTS

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with other overhead and support costs.

1.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include deposits held at call with banks.

1.10 FINANCIAL INSTRUMENTS

The charity 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 includes debtors and cash and bank balances, 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.

Investments are valued at fair value through income and expenditure.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result one or more events that occurred after the initial recognition of

DINWOODIE CHARITABLE COMPANY
Registered Charity No 1151139

14

the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classed as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

Key Sources of Estimation Uncertainty**Fair value measurements**

Certain assets are measured at fair value with gains and losses being recognised in the statement of financial activity. In estimating the fair value of those assets, the charity uses third party qualified valuers and other valuation techniques.

DINWOODIE CHARITABLE COMPANY
Registered Charity No.1151139

Notes to the Accounts for the year ended 31st March 2025

3 FIXED ASSET - INVESTMENT PROPERTIES

The Croxden quarry and farm was sold to the tenant company Tarmac Trading Limited for £5,500,000 in December 2024. Hallette Environmental Ltd, Chartered Surveyors and Bagshaws were both engaged to value the land to ensure this was not sold at an undervalue.

| Valuation | <u>Quarry</u> | <u>Farm</u> | <u>Total</u> |
|--|------------------|----------------|------------------|
| As at 1 April 2024 | <u>3,950,000</u> | <u>275,000</u> | <u>4,225,000</u> |
| Less proceeds on sale | 5,142,012 | 357,988 | 5,500,000 |
| Surplus on disposal of Quarry and Farm | 1,192,012 | 82,988 | 1,275,000 |
| Fair value carried forward | £ <u>0</u> | <u>0</u> | <u>0</u> |

4 FIXED ASSET - INVESTMENTS

| | <u>2025</u> | <u>2024</u> |
|---|---------------------------|--------------------|
| Quoted investments | | |
| Market value 1st April | 2,668,663 | 2,313,724 |
| Additions at cost | 271,016 | 1,124,206 |
| Increase/(Decrease) on portfolio cash | 12,742 | (1,562) |
| Disposals | (238,948) | (1,060,395) |
| Net Gain/(Loss) unrealised | 85,233 | 292,689 |
| | £ <u>2,798,706</u> | £ <u>2,668,662</u> |
| Investments | 2,704,277 | 2,586,976 |
| Cash held in portfolio for reinvestment | 94,429 | 81,687 |
| | £ <u>2,798,706</u> | £ <u>2,668,663</u> |
| Historic cost | £ <u>2,309,478</u> | £ <u>2,248,994</u> |

There were no investments representing greater than 5% of the portfolio by market value

5. FINANCIAL INSTRUMENTS

Carrying amount of financial assets

Quoted investments measured at fair value £2,704,277 (2024: £2,586,976)

Investment properties measured at fair value in 2025: £0 (2024: £3,760,000)

6 DEBTORS

| | | |
|---------------------|------------|----------------|
| Other debtors | | |
| - Wayleave | - | 66 |
| - Prepaid Insurance | - | 318 |
| - Coneydale Farm | - | 4,000 |
| - Dividends due | - | 2,563 |
| | £ <u>0</u> | £ <u>6,947</u> |

DINWOODIE CHARITABLE COMPANY
Registered Charity No.1151139

Notes to the Accounts for the year ended 31st March 2025

| | <u>2025</u> | <u>2024</u> |
|--|--------------------|------------------|
| 7 CASH | | |
| Bank Accounts | | |
| Interest bearing deposit accounts | £ <u>7,979,025</u> | <u>2,493,704</u> |
| 8 CREDITORS | | |
| Other creditors | | |
| - Trust Administration fees | - | - |
| - Managing Trustee Remuneration | 5,000 | 7,400 |
| - Audit fees | 4,000 | 2,500 |
| - HM Revenue & Customs | - | 616 |
| - Mineral & Land Agent: Normal | - | 3,389 |
| - Walsall Healthcare | 250,000 | 250,000 |
| - East Lancashire Hospital NHS Trust | - | 272,000 |
| | £ <u>259,000</u> | £ <u>535,905</u> |
| 9 INVESTMENT INCOME | | |
| Dividend income from listed investments (net) | | |
| - Net Cash received | 49,852 | 47,667 |
| - Recoverable Tax | - | 14 |
| Gross bank and other interest | 65,823 | 81,937 |
| Gross rents re | | |
| - Coneydale Farm (net of expenses) | 6,429 | 8,000 |
| - Forestry land at Croxden | 350 | 700 |
| Gross Royalty Income from land at Croxden (note 1.5) | 382,726 | 524,630 |
| Gross Wayleave income | - | 66 |
| | £ <u>505,179</u> | £ <u>663,014</u> |
| 10 RAISING FUNDS | | |
| Mineral Agents' fees | | |
| - John D Pears Mineral Consultancy Limited | 7,210 | 7,864 |
| Quarry and Farm Management:- | | |
| - Halletec Environmental | 1,800 | 2,280 |
| - Knights Professional Services Ltd | 7,710 | 5,960 |
| - JDM Property Services | 1,430 | - |
| - Council Tax for Coneydale Farm | 1,543 | - |
| - Bagshaws LLP | 7,284 | - |
| - Higgs LLP | 2,640 | - |
| Investment management fees | | |
| - Quilter Cheviot | 16,314 | 10,754 |
| | £ <u>45,931</u> | £ <u>26,858</u> |

DINWOODIE CHARITABLE COMPANY
Registered Charity No.1151139

Notes to the Accounts for the year ended 31st March 2025

| | <u>Note</u> | <u>2025</u> | <u>2024</u> |
|--|-------------|-----------------------|----------------------|
| 11 CHARITABLE ACTIVITIES | | | |
| Grants payable (note 13) | | 115,976 | 10,935 |
| Share of Governance Cost (note 12) | | <u>49,398</u> | <u>34,709</u> |
| | | <u><u>165,375</u></u> | <u><u>45,644</u></u> |
| 12 GOVERNANCE COSTS (INCL VAT) | | | |
| Legal and professional fees | | | |
| Trust Administration | | 19,138 | 13,664 |
| Auditors charges | | 5,700 | 2,500 |
| - Under (over) provided prior years | | - | 144 |
| Trustees Costs | | | |
| - Directors Remuneration and Managing Directors Services | 14 & 15 | 20,731 | 15,880 |
| - Directors Expenses | 14 | 617 | 199 |
| Directors Insurance | | 3,172 | 2,281 |
| Information Commissioner | | 40 | 40 |
| | | <u>£ 49,398</u> | <u>£ 34,708</u> |
| Analysed between charitable activities | | <u>£ 49,398</u> | <u>34,708</u> |

All support and governance costs are allocated to the charitable activity of grant making

13 GRANTS PAYABLE

Research Fellowships

Royal College of Surgeons - Oxford University - 2,043

Fellowship & Post Graduate Medical Centres

| | | |
|---|------------------|-----------------|
| Kings College | 28,177 | (17,308) |
| Faculty of Pharmaceutical Medicine | - | (3,800) |
| Royal College of Aneathetists | 33,721 | 30,000 |
| Royal College of Paediatrics & Child Health | 25,936 | |
| Cicely Saunders International | 28,143 | - |
| | <u>£ 115,976</u> | <u>£ 10,935</u> |

14 TRUSTEES REMUNERATION AND EXPENSES

Under the terms of the Memorandum and Articles of Association directors may enter into a contract for the supply of services in accordance with sections 185 and 186 of the Charities Act 2011.

The charges of £20,731 (2024 £17,451) for Richard Miner, as Managing Trustee, were reviewed annually at Trustees meetings. Richard Miner invoices his time through Enterprise FD Limited.

The total amount of Trustee expenses during the year was £617 (2024 £199). Expenses are paid primarily to reimburse the Trustees for their expenses for attending Company meetings and the opening of projects supported by DCC. Two (2024:2) Trustees were reimbursed.

15 TRANSACTIONS WITH RELATED PARTIES

John Pears is the proprietor of J D Pears Mineral Consultants who have acted as the Charity's mineral agents since June 2020. The fees payable to J D Pears Mineral Consultants amount to £7,210 (2024: £7,864). At the year end the balance outstanding was £nil (2024:£3,389).

Richard Miner is a shareholder and director of Enterprise FD Ltd and fees payable to Enterprise FD Ltd for managing trustee services of Richard Miner amounted to £20,731 (incl VAT) (2024:£15,880 incl VAT). At the year end the balance outstanding was £5,000 (2024: £7,400)

16 EMPLOYEES

There were no employees during the year (2024: nil)

17 FINANCIAL COMMITMENTS

At the balance sheet date there were eight (2024: six) grant commitments that haven't been accrued in the financial statements relating to projects that hadn't commenced by the year end of £1,697,000 in total (2024: £1,771,277). There is no obligation for the trustees to make these payments.

18 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

| | <u>Total</u> <u>y/e 2025</u> | <u>Total</u> <u>y/e 2024</u> |
|---|---------------------------------|---------------------------------|
| Net movement in funds | 1,660,321 | 1,368,961 |
| Deduct dividend and interest income, | | |
| rent, royalty and wayleave income shown in investing activities | (505,179) | (663,014) |
| Adjustment re foreign exchange/ichange in portfolio cash | (8,919) | 7,032 |
| Losses/(Gains) on disposal of investments | (9,904) | (27,786) |
| Add back losses/deduct (gains) on fixed asset investments | (85,233) | (292,689) |
| (Gains)/Losses on fixed asset property | (1,275,000) | (465,000) |
| (Increase)/decrease in debtors | 6,947 | 81,121 |
| Increase/(decrease) in creditors | <u>(276,905)</u> | <u>(143,427)</u> |
| | <u><u>(493,873)</u></u> | <u><u>(134,802)</u></u> |