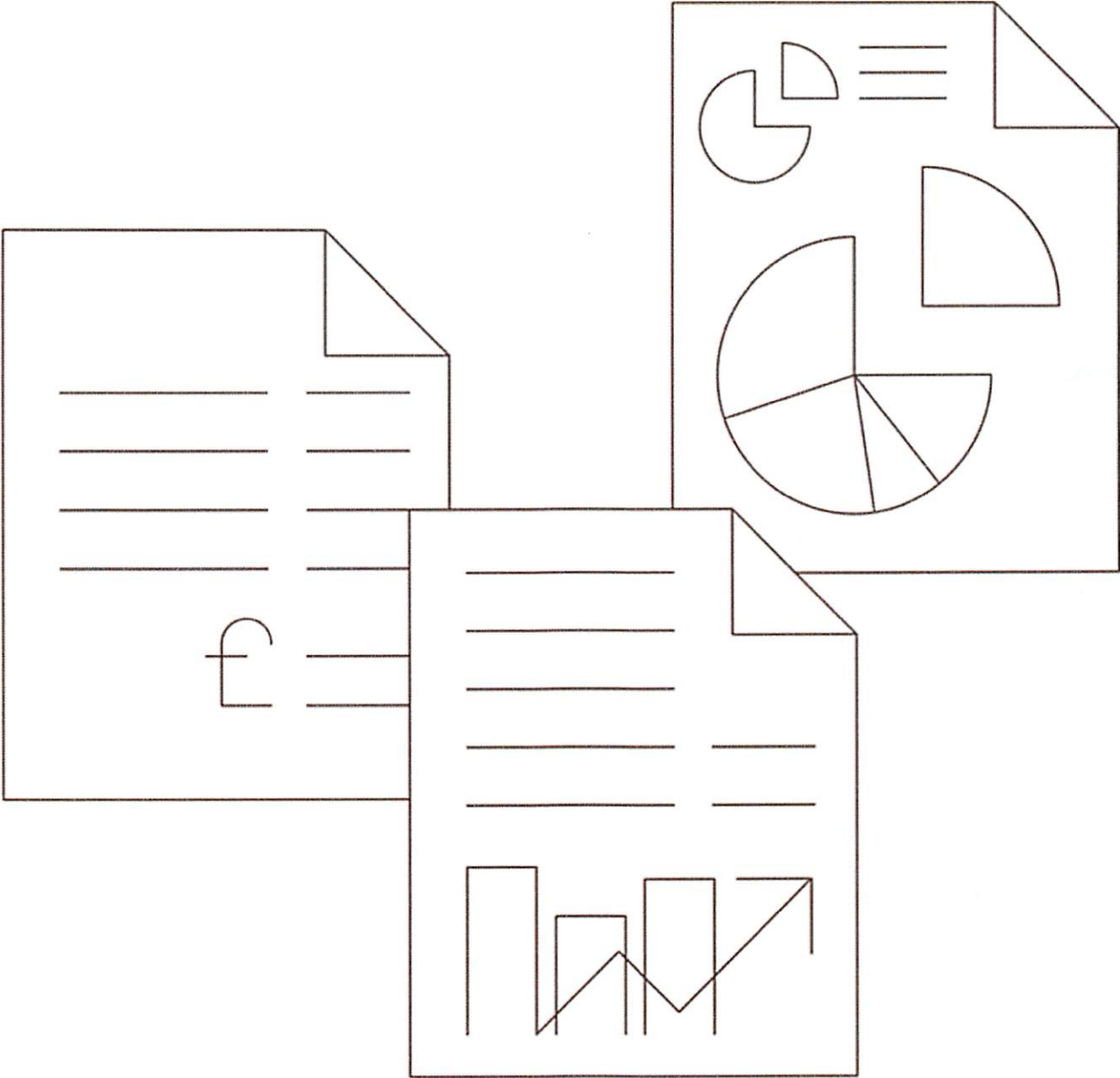




The Dacon Trust Limited

Financial Statements

For the Year Ended: 31 December 2024
Registered Company No: 00968662
Registered Charity No: 260380



THE DACON TRUST LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2024**

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THE DACON TRUST LIMITED

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2024**

TRUSTEES	Mr D Flynn (resigned 17/2/25) Mrs K Hyde Mrs S A Croft Mr D Godfrey Mr G E Mitchell Mrs E L Wadforth (appointed 10/12/24)
COMPANY SECRETARY	Mrs S A Croft
REGISTERED OFFICE	26 St Johns Street Colchester Essex CO2 7HB
REGISTERED COMPANY NUMBER	00968662
REGISTERED CHARITY NUMBER	260380
AUDITORS	TC Group Town Wall House Balkerne Hill Colchester Essex CO3 3AD
BANKERS	Barclays Bank PLC 9 High Street Colchester Essex CO1 1DD

THE DACON TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees who are also directors of the charity for the purpose of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives

The objectives of the Charity are to support the education and development of life and employment skills for adults and young people with learning disabilities.

Activities and Achievements

The Charity's main activity remains the provision of day services at the Level Best Enterprises Hub in Colchester. Level Best is made up of four enterprises - Level Best Café, Level Best Art and Gallery, Level Best Seasonal and Level Best Gardening.

The charity has the capacity to deliver over 230 work skills training sessions per week. In addition to this, occasional workshops are delivered at the Level Best hub and at external locations. In 2024 these included film making with Jelly Fielder studios, 'Create with Clay' at local creative venue 'Makers Space', Christmas Wreath making, Healthy Relationship course and a variety of Art workshops delivered by local artists. 2024 also saw the introduction of weekly theatre workshops for Trainees at The Mercury Theatre.

In 2024 Level Best was recognised nationally in both the National Diversity Awards and the National Learning Disabilities and Autism Awards. Closer to home, Level Best were proud to take home Highly Commended in both the Colchester Business Awards and the Essex Countywide Business Awards.

Level Best Café:

Customer numbers in the Café have continued to grow over 2024 and we have seen growth in buffet and external cakes supplied to local businesses and social enterprises.

In 2024, Level Best Café received the 'Trip Advisor Travellers Choice Award' for being rated among the top 10% of restaurants worldwide. The Café is ranked number 2 out of 95 Cafés in Colchester and has 60 five-star reviews.

Several evening and weekend events were hosted in the Café throughout 2024, including a Christmas Market (in partnership with Made in Colchester), Gallery private views and private hire events for Creative Colchester. In addition to this the Café space was regularly booked as a meeting place for groups including a book club and a coffee morning.

Level Best Art and Gallery:

The new and improved Art Studio and Gallery space at St Johns Street has made a huge difference to the Trainee experience. With more space available in the Art Studio, Trainees can access more activities such as silk printing and sculpture. There is also a designated exhibition space in the Café to showcase, celebrate and sell Trainee artwork.

In February 2024, Level Best were proud to hold an exhibition of Trainee artwork at Colchester's internationally recognised art gallery, Firstsite. The exhibition featured work from the Level Best archives as well as more recent Trainee artworks.

THE DACON TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

OBJECTIVES AND ACTIVITIES (continued)

In April, Level Best Art Trainees were facilitated to run a 3 day 'pop up' Art sale at The Minories. This gave Trainees an opportunity to discuss their work with the public, promote their talents and gave them a sense of pride and achievement.

The Level Best Gallery continues to receive interest from local artists and creatives, with exhibition slots booked until 2027. Trainees are involved in the Gallery through administrative tasks (promotion, emailing contracts etc) as well as assisting in curating exhibitions.

Level Best Seasonal:

The Café space has a small 'shop' area for Seasonal goods. As Café numbers have increased, so too has the sale of seasonal produce. Throughout 2024 Seasonal produce was sold at external venues and events including a local eco-friendly shop, a pop-up event at Colchester Arts Centre and The Minories Christmas Market.

Level Best Gardening:

Level Best gardening Trainees worked on both allotment plots through 2024, growing a variety of fruit and vegetables for use in Seasonal produce. In addition to this they enjoyed several trips including Acorn Village for garden tours and workshops, Bourne Mill for garden tours and craft workshops and Highwoods for Pond dipping and exploration.

In May 2024, Level Best ran a 6 week Forest School programme at the Allotment, attended by 6 Trainees. Activities on offer were varied such as clay faces with found leaves, drawing orchard portraits with willow charcoal and learning about tree of the week. Trainees also used identification sheets to learn about flora and fauna.

The park ranger sessions continued with lots of varied activities including, wildflower planting, orchard maintenance, pond clearance, litter picking and flower bed clearing and planting.

Mencap continue to occupy Fitzwalter House providing accommodation for learning disabled adult residents. Discussions continue with potential partners as to how the rest of the land at Great Tey could be used.

The Charity's activities are financed by a combination investment income together with charges made to trainees for attendance which are funded either by local authorities or privately. There is a small reliance on volunteers for day-to-day operations although the members of the Management Committee serve in a voluntary capacity.

The majority of the Charity's investments are managed by CCLA Investment Management Limited who provide a quarterly report and with whom regular meetings are held to review investment strategy.

The board of Trustees has remained broadly consistent throughout the year however the board continue to seek new appointments where they could bring skillsets that will benefit the Charity going forwards.

Alison Ling remains responsible for the day-to-day management of Level Best Enterprises in Colchester and reports to the board on operational progress.

PUBLIC BENEFIT

The trustees of The Dacon Trust Limited have had due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

THE DACON TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL REVIEW

Financial position

The activities during the year resulted in a deficit of unrestricted funds of £148,984 (2023: £17,963) for the financial year. Included within this deficit is the increase in the market value of investment of £52,768 (2023: £202,352).

At the end of the year the charity has a total of £4,485,854 (2023: £4,634,838) in Unrestricted Funds.

Reserves policy

The Council of Management has considered the financial requirements of the Charity taking into account the current position and future plans. They have taken particular note of the following:

1. The funds received from charitable activities have been and are expected to remain inadequate to meet the costs of providing the services. There will be an ongoing requirement for the Charity to provide substantial resources to subsidise the services.
2. There continues to be some doubt over the level of financial support from Local Authorities to fund attendance fees.
3. There are no contracts with trainees and they are free to stop attending at any time.

In the light of this the Council of Management has made the following decisions:

1. The investments fund (including investment properties) currently totalling £2,532,396 (2023: £2,620,628) should be considered an expendable endowment to provide income to fund the Charity's operations.
2. The Fixed Asset Fund is set at a figure of £1,955,728 (2023: £1,930,032) to reflect the value invested in tangible assets.
3. The Charity should aim to hold a general reserve at least equivalent to 12 months expenditure. The reserve is currently in deficit of £2,270 (2023 Surplus: £84,178).

Going concern

After making appropriate enquiries, the board of trustees have a fair expectation that The Dacon Trust Limited has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

THE DACON TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

FUTURE PLANS

Since moving to St Johns Street in April 2023, Level Best has continued to see growth across all of its services. As we look to the future we plan to continue this growth in the following ways:

- Introduce new and exciting workshops and short courses for Trainees to enhance their learning and to experience new activities.
- Launch a sponsorship programme in Autumn 2025. The purpose of the programme is to unlock new opportunities for Level Best Trainees, address the well documented lack of funded opportunities for people with learning disabilities, and create a lasting value for local businesses and the wider community.
- Continue to build placement numbers through agreed strategies.
- Develop a programme of inclusive workshops to be held outside of operational hours.
- Run Level Best Supper Clubs and events at least twice yearly with the use of guest chefs to support this.
- Market Level Best as a venue for hire for craft markets and other events, such as catered birthday parties.

In parallel to this, the Trustees will also be giving careful consideration to how best utilise the land in Great Tey.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Dacon Trust Limited is a company limited by guarantee. The charity is governed by its board of trustees operating under the terms of the memorandum and articles of association.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up whilst they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £50, for the debts and liabilities contracted before they ceased to be a member.

Trustees and management

The charity has a Council of Management that manages the business of the Charity. No person who is not a member of the Charity is eligible to hold office as a member of the Council. Where appropriate, duties are delegated to employees of the charity, although the Council maintains overall control for the activities and performance of the charity.

The Council of Management meets quarterly to review the performance of the Charity's work.

The board of trustees have also now formed subcommittees in addition to the quarterly review as mentioned above who are also meeting quarterly.

The recruitment and appointment of the members are set out in the articles and memorandum of association.

Persons who are appointed as trustees or members of the Council will be party to an induction process determined by their present role and knowledge of The Dacon Trust Limited.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

THE DACON TRUST LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Dacon Trust Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, TC Group, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

Approved by order of the board of trustees on 11th September 2025 and signed on its behalf by:

Mrs K Hyde - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE DACON TRUST LIMITED

Opinion

We have audited the financial statements of The Dacon Trust Limited (the 'charitable company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet and 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE DACON TRUST LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE DACON TRUST LIMITED

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006, The Charities Act 2011, UK GAAP Including Charities SORP (FRS 102)) and the relevant tax compliance regulations in the UK;
- We considered the risk of fraud through management override and in response, we incorporated testing of manual journal entries into our audit approach throughout the financial year;
- We considered the risk of fraud through assumptions and judgements used within the accounting estimates and in response, reviewed and scrutinised these estimates in order to detect possible management bias;
- We considered the risk of fraud associated with the preparation of the financial statements and in response, tested the disclosures prepared against relevant supporting documentation.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE DACON TRUST LIMITED**

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

Melinda Simpson (Senior Statutory Auditor)
for and on behalf of TC Group
Town Wall House
Balkerne Hill
Colchester
Essex
CO3 3AD

Date: 16th September 2025

THE DACON TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2024

		2024 Unrestricted funds £	2023 Total funds £
	Notes		
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Attendance fees, cafe and art supplies		373,545	305,801
Letting of non investment property		24,750	33,000
Investment income	2	82,017	86,197
Other income		-	46
Total		480,312	425,044
 EXPENDITURE ON			
Raising funds	3	4,415	6,465
Charitable activities	4		
Attendance fees, cafe and art supplies		557,649	638,894
Other – Exceptional item	10	120,000	-
Total		682,064	645,359
 Net gains on investments		52,768	202,352
 NET INCOME/(EXPENDITURE)		(148,984)	(17,963)
 RECONCILIATION OF FUNDS			
Total funds brought forward		4,634,838	4,652,801
 TOTAL FUNDS CARRIED FORWARD		4,485,854	4,634,838

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing operations.

The notes form part of these financial statements

THE DACON TRUST LIMITED

**BALANCE SHEET
31 DECEMBER 2024**

		2024 Unrestricted funds £	2023 Total funds £
	Notes		
FIXED ASSETS			
Tangible assets	11	1,955,728	1,930,032
Investments			
Investments	12	2,232,396	2,320,628
Investment property	13	<u>300,000</u>	<u>300,000</u>
		4,488,124	4,550,660
CURRENT ASSETS			
Debtors	14	49,545	81,117
Cash at bank		<u>36,649</u>	<u>147,095</u>
		86,194	228,212
CREDITORS			
Amounts falling due within one year	15	<u>(88,464)</u>	<u>(144,034)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(2,270)</u>	<u>84,178</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,485,854</u>	<u>4,634,838</u>
NET ASSETS		<u>4,485,854</u>	<u>4,634,838</u>
FUNDS	17		
Unrestricted funds		<u>4,485,854</u>	<u>4,634,838</u>
TOTAL FUNDS		<u>4,485,854</u>	<u>4,634,838</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 11th September 2025 and were signed on its behalf by:

Mrs K Hyde - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

General information and basis of preparation

The Dacon Trust Limited is a company limited by guarantee established in England and Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to support the education and development of life and employment skills for adults with mild and moderate learning disabilities.

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound.

Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. All funds of the charity are unrestricted.

Significant judgements and estimates

The preparation of the financial statements requires the Council of Management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported as revenue and expenses during the year. However, the nature of estimations means that the actual outcomes could differ from these estimates. The following item is highlighted as a judgement that has had the most significant effect on amounts recognised in the financial statements and the key source of estimation uncertainty.

Revaluation of Investment Property

The company carries its Investment Property at fair value, with changes in the fair value being recognised in the SoFA. The investment properties are held at a value which, in the opinion of the trustees, reflects open market value at the balance sheet date.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from trading activities is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

1. ACCOUNTING POLICIES - continued

Income recognition

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure excludes VAT and is reported as part of the expenditure to which it relates. It is categorised under the following headings:

- Costs of generating funds comprise the costs of operation and maintaining the investment income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.
- Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. Where support costs relate to more than one activity they have been allocated on the basis of staff time and resources consumed by each activity.

Fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold Land & Buildings	- Nil
Tenants Improvements	- 33% On Cost
Plant, Machinery, Fixtures & Fittings	- 15% - 30% On Cost

Freehold Land & Buildings are carried at cost. Freehold property is not depreciated on the grounds that the high residual value renders any depreciation charge immaterial. This is a departure from the Companies Act 2006 in order to give a true and fair view.

Investment properties

Investment properties are measured at fair value at each reporting date with changes in fair value recognised in net gains / (losses) on investments in the SoFA.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in net gains / (losses) on investments in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

THE DACON TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. ACCOUNTING POLICIES - continued

Tax

The charity is exempt from corporation tax on its charitable activities.

The Dacon Trust has not received a similar exemption in respect of Value Added Tax. The Dacon Trust is a partially exempt organisation for VAT purposes and consequently input tax on its purchases are not fully recoverable.

Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

Employee benefits

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Financial instruments

The trust 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.

Going concern

The financial statements are prepared on a going concern basis as there are no material uncertainties that the Charity's ability to continue.

2. INVESTMENT INCOME

	2024	2023
	£	£
Income from UK investment properties	18,720	19,885
Income from UK listed investments	62,663	63,708
Deposit account interest	<u>634</u>	<u>2,604</u>
	<u>82,017</u>	<u>86,197</u>

THE DACON TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

3. RAISING FUNDS

Investment management costs

	2024	2023
	£	£
Letting agent fees	<u>4,415</u>	<u>6,465</u>

4. CHARITABLE ACTIVITIES COSTS

	2024	2023
	£	£
Wages and salaries	321,888	298,051
Employer's national insurance	23,508	21,138
Pensions	16,222	13,896
Rent, rates and water	21,239	50,445
Insurance	11,598	14,394
Light and heat	17,160	40,375
Advertising	15,396	15,148
Sundries	12,278	11,053
Repairs and other expenses	6,731	68,605
Motor and travel costs	2,493	2,249
Purchases	52,775	40,544
Staff training	1,731	2,562
Cleaning	12,559	13,611
Telephone and internet	2,452	2,124
Depreciation of tangible fixed assets	8,971	10,160
Support costs (see note 5)	<u>30,648</u>	<u>34,539</u>
	<u>557,649</u>	<u>638,894</u>

For year ending 31 December 2024, Repairs and Other Expenses has been split out further to show the expenditure directly relating to Telephone and Internet. Previously, these expenses were included within Repairs and Other Expenses for year ending 31 December 2023.

THE DACON TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

5. SUPPORT COSTS

	2024	2023
	£	£
Accountancy and other non-audit fees	10,918	21,199
Audit fees	7,924	6,615
Legal and professional fees	11,806	6,725
	<u>30,648</u>	<u>34,539</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation - owned assets	8,971	10,160
Surplus on disposal of fixed assets	-	(46)
Auditors' remuneration - audit of the financial statements	7,558	7,150
Auditors' remuneration - over/under accrual	366	(535)
Accountancy and other non-audit services	10,918	12,318
Taxation advisory services	-	8,881
Operating leases - rent	<u>10,500</u>	<u>40,024</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

The trustees are deemed to be the key management personnel of the charity. There were no trustees' remuneration or other benefits for the year ended 31 December 2024 or for the year ended 31 December 2023.

Trustees' expenses

There were no trustees' expenses paid for year ended 31 December 2024 or for the year ending 31 December 2023.

THE DACON TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

8. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	321,888	298,051
Social security costs	23,508	21,138
Other pension costs	<u>16,222</u>	<u>13,896</u>
	<u>361,618</u>	<u>333,085</u>

The average monthly number of employees during the year was as follows:

	2024	2023
	<u>13</u>	<u>12</u>
Full time equivalents		

No employees received emoluments in excess of £60,000.

9. TAXATION

No Corporation tax has been provided based on the Company's charitable status.

10. EXCEPTIONAL ITEMS

During the year ended 31 December 2024, the charity paid a settlement to the landlord of £120,000 in surrendering the lease at the property D'Arcy House.

THE DACON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

11. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Tenants improvements £	Plant & machinery & Fixtures & Fittings £	Totals £
COST				
At 1 January 2024	1,926,924	24,524	148,315	2,099,763
Additions	34,087	-	580	34,667
Disposals	-	(24,524)	-	(24,524)
At 31 December 2024	<u>1,961,011</u>	<u>-</u>	<u>148,895</u>	<u>2,109,906</u>
DEPRECIATION				
At 1 January 2024	27,200	24,524	118,007	169,731
Charge for year	-	-	8,971	8,971
Eliminated on disposal	-	(24,524)	-	(24,524)
At 31 December 2024	<u>27,200</u>	<u>-</u>	<u>126,978</u>	<u>154,178</u>
NET BOOK VALUE				
At 31 December 2024	<u>1,933,811</u>	<u>-</u>	<u>21,917</u>	<u>1,955,728</u>
At 31 December 2023	<u>1,899,724</u>	<u>-</u>	<u>30,308</u>	<u>1,930,032</u>

The market value of the freehold land and buildings, in the opinion of the trustees, is in excess of the carrying value in the accounts.

The freehold property relates to land and buildings known as Fitzwalter House, Great Tey and St John's Street Building, Colchester. Part of the property at Fitzwalter House, is let to Mencap to provide accommodation for learning disabled adult residents and the rest of the land is used by the Trust. As it is not possible to determine any investment component reliably it is deemed appropriate to disclose the whole of the property known as Fitzwalter House as Freehold land and buildings.

THE DACON TRUST LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024****12. FIXED ASSET INVESTMENTS**

	Listed investments £
MARKET VALUE	
At 1 January 2024	2,320,628
Disposals	(141,000)
Revaluations	<u>52,768</u>
At 31 December 2024	<u>2,232,396</u>
NET BOOK VALUE	
At 31 December 2024	<u>2,232,396</u>
At 31 December 2023	<u>2,320,628</u>

The above market value of fixed asset investments contains base cost of £857,273 (2023: £911,287) and accumulated revaluation gains of £1,375,123 (2023: £1,409,341).

The fixed asset investments were valued on an open market basis on the 31 December 2024 by Churches, Charities and Local Authorities (CCLA) Investment Management Limited. None of these investments were held outside of the United Kingdom.

13. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2024 and 31 December 2024	<u>300,000</u>
NET BOOK VALUE	
At 31 December 2024	<u>300,000</u>
At 31 December 2023	<u>300,000</u>

The investment properties are held at a value which, in the opinion of the trustees, reflects open market value at the balance sheet date.

THE DACON TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	10,399	7,957
Other debtors	5,078	6,423
Prepayments and accrued income	<u>34,068</u>	<u>66,737</u>
	<u>49,545</u>	<u>81,117</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	5,204	32,985
Other taxes and social security	5,850	6,345
Other creditors	61,219	58,639
Accruals and deferred income	<u>16,191</u>	<u>46,065</u>
	<u>88,464</u>	<u>144,034</u>

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024	2023
	£	£
Within one year	-	38,132
Between one and five years	<u>-</u>	<u>106,451</u>
	<u>-</u>	<u>144,583</u>

During the year ended 31 December 2024, the Charity paid a settlement to the landlord surrendering the lease of the property known as D'Arcy House, incurring a cost of £120,000. This has been disclosed as an exceptional item within note 10 of these Financial Statements.

LESSOR AGREEMENTS

	2024	2023
	£	£
Within one year	33,000	33,000
Between one and five years	132,000	132,000
In more than five years	<u>33,000</u>	<u>66,000</u>
	<u>198,000</u>	<u>231,000</u>

The above agreement relates to the lease of Fitzwalter House to Mencap.

THE DACON TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024

17. MOVEMENT IN FUNDS

	At 1.1.24 £	Net movement in funds £	Transfers between funds £	At 31.12.24 £
Unrestricted funds				
General fund	84,178	(192,781)	106,333	(2,270)
Fixed Asset Fund	1,930,032	(8,971)	34,667	1,955,728
Investment Fund	<u>2,620,628</u>	<u>52,768</u>	<u>(141,000)</u>	<u>2,532,396</u>
	<u>4,634,838</u>	<u>(148,984)</u>	-	<u>4,485,854</u>
TOTAL FUNDS	<u>4,634,838</u>	<u>(148,984)</u>	-	<u>4,485,854</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	480,312	(673,093)	-	(192,781)
Fixed Asset Fund	-	(8,971)	-	(8,971)
Investment Fund	-	-	52,768	52,768
	<u>480,312</u>	<u>(682,064)</u>	<u>52,768</u>	<u>(148,984)</u>
TOTAL FUNDS	<u>480,312</u>	<u>(682,064)</u>	<u>52,768</u>	<u>(148,984)</u>

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	3,245	(210,201)	291,134	84,178
Fixed Asset Fund	1,831,280	(10,114)	108,866	1,930,032
Investment Fund	<u>2,818,276</u>	<u>202,352</u>	<u>(400,000)</u>	<u>2,620,628</u>
	<u>4,652,801</u>	<u>(17,963)</u>	-	<u>4,634,838</u>
TOTAL FUNDS	<u>4,652,801</u>	<u>(17,963)</u>	-	<u>4,634,838</u>

THE DACON TRUST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	424,998	(635,199)	-	(210,201)
Fixed Asset Fund	46	(10,160)	-	(10,114)
Investment Fund	-	-	202,352	202,352
	<u>425,044</u>	<u>(645,359)</u>	<u>202,352</u>	<u>(17,963)</u>
TOTAL FUNDS	<u>425,044</u>	<u>(645,359)</u>	<u>202,352</u>	<u>(17,963)</u>

1. The General Fund represents the accumulated surpluses of the Charity and is available for the general purposes of the Charity.
2. The Fixed Asset Fund represents the value invested in Tangible Fixed Assets less accumulated depreciation.
3. The Investment Fund represents the value invested in the fixed asset investments and is available to provide reserves to assist the Charity in carrying out its objective.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2024.

19. SUBSEQUENT EVENTS

Following recent stock market activity, a significant reduction in the market value of listed investments has been seen. If the listed investments were to be revalued as at 18 August 2025, they would have been £2,148,108 (£84,288 reduction).

20. COMPANY LIMITED BY GUARANTEE

The charity is a company limited by guarantee. The trustees are named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £50 per member of the charity.

This page does not form part of the statutory financial statements

THE DACON TRUST LIMITED

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024**

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Investment income		
Income from UK investment properties	18,720	19,885
Income from UK listed investments	62,663	63,708
Deposit account interest	<u>634</u>	<u>2,604</u>
	82,017	86,197
Charitable activities		
Letting of non-investment properties	24,750	33,000
Attendance and care fees	267,296	232,562
Café and art sales	106,249	70,349
Grants	<u>-</u>	<u>2,890</u>
	398,295	338,801
Other income		
Gain on sale of tangible fixed assets	<u>-</u>	<u>46</u>
Total incoming resources	480,312	425,044
EXPENDITURE		
Investment management costs		
Letting agent fees	4,415	6,465
Charitable activities		
Wages and salaries	321,888	298,051
Employer's national insurance	23,508	21,138
Pensions	16,222	13,896
Rent, rates and water	21,239	50,445
Insurance	11,598	14,394
Light and heat	17,160	40,375
Advertising	15,396	15,148
Sundries	12,278	11,053
Repairs and other expenses	6,731	68,605
Motor and travel costs	2,493	2,249
Purchases	52,775	40,544
Carried forward	501,288	575,898

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THE DACON TRUST LIMITED

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024**

	2024 £	2023 £
Charitable activities		
Brought forward	501,288	575,898
Staff Training	1,731	2,562
Cleaning	12,559	13,611
Telephone and internet	2,452	2,124
Depreciation of tangible fixed assets	<u>8,971</u>	<u>10,160</u>
	527,001	604,355
Other		
Exceptional items – Surrender of lease	120,000	-
Support costs		
Governance costs		
Accountancy fees	10,918	21,199
Audit fees	7,924	6,615
Legal and professional fees	<u>11,806</u>	<u>6,725</u>
	<u>30,648</u>	<u>34,539</u>
Total resources expended	<u>682,064</u>	<u>645,359</u>
Net expenditure before gains and losses	(201,752)	(220,315)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	86,986	231,515
Unrealised gains/(losses) on fixed asset investments	<u>(34,218)</u>	<u>(29,163)</u>
Net expenditure	<u>(148,984)</u>	<u>(17,963)</u>

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