

THE 1989 WILLAN CHARITABLE TRUST
FINANCIAL STATEMENTS
YEAR ENDED 30TH SEPTEMBER 2025

CHARITY NO. 802749

THE 1989 WILLAN CHARITABLE TRUST**TRUSTEES' REPORT - Year Ended 30th September 2025****LEGAL AND ADMINISTRATIVE DETAILS**

The Trustees submit their report and financial statements of The 1989 Willan Charitable Trust (the "Charity", or "Trust") for the year ended 30th September 2025. The financial statements have been prepared in accordance with the accounting policies set out in note 1 and comply with the trust deed, the Charities Act 2011 and the Statement of Recommended Practice, Accounting and Reporting by Charities 2019 (FRS 102).

Legal Status The 1989 Willan Charitable Trust is a registered charity (registered number 802749)

Governing Document Trust Deed dated 8th August 1989

Trustees A Chapman
A Ohlsson
Willan Trustee Limited
(Directors - A Chapman, A Ohlsson, S Winfield, C Seccombe, and J Ramsbotham)

Key Management Personnel The Charity does not employ any staff and therefore the Trustees remain responsible for the day-to-day operation of the Charity

Administrators Carlton Management Services Limited
4th Floor Windward House
La Route De La Liberation
St Helier, Jersey
JE2 3BQ

Grant Advisors and Registered Address The Community Foundation
Philanthropy House
Woodbine Road
Gosforth
Newcastle upon Tyne
NE3 1DD

Bankers Santander Private Banking
PO Box 545
St. Helier, Jersey
JE4 8XG

Investment Managers BNY Mellon Fund Managers Limited
Client Service Centre
PO Box 366
Darlington
DL1 9RF

Brewin Dolphin Limited
Time Central
32 Gallowgate
Newcastle Upon Tyne
NE1 4SR

McInroy & Wood Limited
Easter Alderston
Haddington
East Lothian
EH41 3SF

Baillie Gifford
Calton Square
1 Greenside Row
Edinburgh
EH1 3AN

CCLA Investment Management Limited
One Angel Lane
London
EC4R 3AB

Solicitors Ward Hadaway LLP
Sandgate House
102 Quayside
Newcastle Upon Tyne
NE1 3DX

Auditors Azets Audit Services
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

THE 1989 WILLAN CHARITABLE TRUST

TRUSTEES' REPORT - Year Ended 30th September 2025

AIMS AND OBJECTIVES

The 1989 Willan Charitable Trust (the "Charity" or "Trust") was established by an initial gift from the Willan family out of funds originating from a shipping business based in the North East of England. Over the years the Willan family have settled further funds on the Charity.

The Charity's trust deed gives the trustees wide powers to distribute the income of the trust and such of its capital as they deem appropriate to or for such charitable institutions or charitable purposes as the trustees in their absolute discretion think fit. However, within this broad remit, the trustees recognise that the resources of the Trust are finite and that it is therefore necessary to target funds more selectively to areas where the funds can be used most effectively and can make the most difference.

In recognition of the origins of the Trust fund and the economic impact that the decline of the ship building industry has had on the region, the trustees tend to concentrate their support towards causes which are active in Tyne and Wear and its immediate surrounds. The trustees favour causes which aim to ease social deprivation and / or enrich the fabric of the local community and the quality of life of individuals within that community. They may also support education where that is aimed at improving the economy in areas of deprivation. As well as direct support for such causes in the form of grants, the trustees may also provide indirect support, using the Trust's capital to make resources (typically premises) available to other deserving charitable organisations.

The trustees aim to distribute approximately £825,000 per annum based on a real return of 4% upon the trust assets.

PUBLIC BENEFIT STATEMENT

The trustees have referred to guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. The charitable objectives are also set in order to provide a clear and demonstrated public benefit.

The Charity's activities throughout the period were consistent with its aims and objectives as stated above. All such activities are undertaken to further our charitable purposes for the public benefit.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is an unincorporated trust constituted under a trust deed dated 8th August 1989 and is a registered charity (numbered 802749). The trust deed provides that there be a minimum of three trustees. The trustees are appointed by members of the Willan family and serve for an indefinite term. The trustees who served the Charity during the year were:

A Chapman
A Ohlsson
Willan Trustee Limited

The Charity does not actively fundraise and seeks to continue its support to appropriate charitable causes through the careful stewardship of its existing resources. The management of the Charitable fund is divided into two principal areas, asset management and grant making.

Responsibility for the asset management function is delegated to external investment managers. Brewin Dolphin Securities Limited, Baillie Gifford, CCLA Investment Management Limited (manage the "COIF Fund"), BNY Mellon Investment Managers Limited (manage the "Newton Fund"), and McInroy & Wood Limited manage investment portfolios for the Charity under discretionary investment management, or fund management, agreements. The trustees monitor the performance of the portfolios on a quarterly basis against relevant benchmarks.

The trustees are grateful to the Community Foundation serving Tyne & Wear and Northumberland (the "Community Foundation"). Applications are processed, collated and shortlisted by the Community Foundation on a quarterly basis. A subcommittee of the board of Willan Trustee Limited meet each quarter to vet the shortlist. The shortlist is then circulated to each of the trustees for consideration and approval.

Carlton Management Services Limited, a licenced trust company regulated by the Jersey Financial Services Commission, provides administrative and accounting services to the Charity.

The trustees aim to meet at least once a year to review the Charity's financial statements for the preceding year, the performance of its assets and its grant making activities and to consider whether changes are required in the Charity's policies and overall strategy.

THE 1989 WILLAN CHARITABLE TRUST

TRUSTEES' REPORT - Year Ended 30th September 2025 (Continued)

RECRUITMENT OF TRUSTEES

Any trustee vacancies which arise are filled by search with due regard to maintaining a proper balance of skills and experience within the Board. Representation relevant to the service user group is a key factor given the Charity's mission.

All appointments are subject to the approval by members at a general meeting. With the notice of such meeting members are provided with a profile of prospective new trustees - and equivalent information for any trustee offering themselves for re-election. Additionally a full attendance record is provided to members to inform their decisions.

TRUSTEE INDUCTION AND TRAINING

New trustees are provided with a proper induction process and a checklist ensures they receive all relevant papers and guidance to properly fulfil their responsibilities. Briefing papers and familiarisation training is affected for all trustees as deemed necessary.

RISK MANAGEMENT

The trustees have considered the major risks to which the Charity is exposed and have established systems and procedures to manage those risks.

RESERVES POLICY

The results for the year leave The 1989 Willan Charitable Trust with an Unrestricted Revenue Reserve of £22,746,396 (2024: £22,136,326). It can be seen that of this sum, £55,772 (2024: £195,574) is held in Net Current Assets, that is represented by cash and net debtors and therefore readily expendable by the trustees.

The trustees aim to distribute approximately £825,000 per annum based on a real return of 4% upon the trust assets. It is the policy of the Charity to maintain a free cash balance of approximately six months' unrestricted expenditure. This provides sufficient funds to cover management, administration and support costs and to respond to applications for grants which arise from time to time.

The trustees have reviewed activities and prepared a risk assessment to enable them to consider the financial position of the Charity. On conclusion of this work the trustees, having considered both the significant level of cash and investments held by the Charity, consider that there are no material uncertainties regarding the Charity's ability to continue as a going concern for the next 12 months.

FINANCIAL REVIEW

As at 30 September 2025 the allocation in investment portfolios stood as follows:

Manager	Allocation	
	2025	2024
Baillie Gifford	40.4%	40.4%
Brewin Dolphin	24.2%	25.0%
Newton Growth and Income Fund for Charities	13.1%	12.4%
COIF Charity Fund	11.6%	12.2%
McInroy & Wood Balanced Fund	10.7%	8.7%
UBS	-	1.2%

Equity markets have delivered strong gains over the period, led by companies linked to artificial intelligence, which have powered a broad re-rating of global equities. The MSCI World Equity Index in sterling terms has risen 16.8% since 30 September 2024, with performance concentrated in large-cap technology and communication services. Style dispersion is notable, the MSCI World Growth Index is up 21.6% over the same period, significantly outpacing the 9.6% gain for the MSCI World Value Index. Bond markets have been positive but far more muted, as higher starting yields were partly offset by shifting expectations for the path of policy rates.

The Bloomberg Barclays Global Aggregate Bond Index, unhedged in sterling, is up 2.0% since 30 September 2024. Currency moves have been relatively modest, with sterling appreciating by 0.5% against the US dollar.

THE 1989 WILLAN CHARITABLE TRUST

TRUSTEES' REPORT - Year Ended 30th September 2025 (Continued)

FINANCIAL REVIEW (Continued)

All portfolios except for COIF Charity Fund and McInroy & Wood Balanced Fund outperformed the ARC Charities Index (the Trust's reference benchmark), which rose by 7.6% over the year.

Manager	Performance	
	2025	2024
Baillie Gifford	9.8%	16.0%
Brewin Dolphin	8.4%	14.8%
Newton Growth and Income Fund for Charities	10.1%	13.0%
COIF Charity Fund	(1.5%)	12.5%
McInroy & Wood Balanced Fund	1.0%	(1.1%)
UBS	-	14.6%

Total interest and dividend income was £420,734 (2024: £460,000) equal to a yield of approximately 1.9% (2024: 2.1%). This is consistent with both historic levels, and the trustees' expectations. The value of investment portfolios rose by 3.8% (2024: rose by 8.1%) (net of fees and distributions) to £22,438,842 (2024: £21,612,144).

REVIEW OF GRANT MAKING ACTIVITIES

The Community Foundation have been responsible for payments of grants (under the "Philanthropy Agreement" initially dated September 2020 and extended to July 2026) and administer these from the funds held. Any monies paid to The Community Foundation under the Philanthropy Agreement will become an irrevocable gift. The Charity donated £695,081 (2024: £707,074) to The Community Foundation in the financial year, to be distributed in accordance with the Philanthropy Agreement.

In addition to the grant making activity outlined above, the Charity gifted an additional £106,509 (2024: £76,900) in total to the universities of Sunderland, Teesside, and Northumbria, in order to provide support to graduates seeking to fund viable, sustainable new business ventures.

As detailed in the accounting policy: gifts in kind, the Charity also made effective donations totalling £23,748 (2024: £40,920) in respect of lease arrangements made with other charitable organisations to provide access to accommodation at a below market value rental. In addition, the charity made a monetary donation of £nil (2024: £31,896) to those charitable organisations in respect of property dilapidations costs.

The trustees believe the services of the Community Foundation are delivering real value in helping the trustees to identify causes consistent with the stated aims and objectives of the Charity. In addition, the trustees recognise that the administration fees paid by the Charity to the Community Foundation indirectly support the charitable purposes of the Community Foundation itself which are wholly consistent with those of the Charity.

FUNDRAISING DISCLOSURES

The Charity is required to report how it deals with fundraising from the public. The Charity does not actively fundraise and seeks to continue its support to appropriate charitable causes through the careful stewardship of its existing funds, received from the Willan family.

PLANS FOR FUTURE YEARS

The trustees do not anticipate significant changes to the structure, resources, or operations of the Charity in the foreseeable future. However, to the extent that suitable charitable projects may be identified, the trustees may consider allocating a portion of the Charity's grant making capacity to providing significant support to a limited number of specific charitable projects.

THE 1989 WILLAN CHARITABLE TRUST

TRUSTEES' REPORT - Year Ended 30th September 2025 (Continued)

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Charity's trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with Financial Reporting Standard applicable in the United Kingdom (FRS 102). The trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and the income and expenditure of the Charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

Azets Audit Services have indicated their willingness to stand for reappointment at the forthcoming Annual General Meeting.

Approved by the Trustees on 06 May 2026

and signed on their behalf by:

Signed by:

704F1589F6C9406...
A Ohlsson
Trustee

THE 1989 WILLAN CHARITABLE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES Year Ended 30th September 2025

Opinion

We have audited the financial statements of The 1989 Willan Trust (the 'charity') for the year ended 30 September 2025, comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 30 September 2025 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 Trustee's 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 entity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient 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.
- we have not received all the information and explanations we require for our audit.

THE 1989 WILLAN CHARITABLE TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES Year Ended 30th September 2025 (continued)

Statement of trustees' responsibilities

As explained more fully in the statement of Trustees' Responsibilities in relation to the financial statements [set out on page 5], 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 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.

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.

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: and compliance with the Charities Act.

Owing 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 in the financial statements, the less likely the auditor is to become aware of it or 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the report

This report is made solely to the charity trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the trustees those matters we are required to state to trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
 Graham Fitzgerald BA, FCA, DChA (Senior Statutory Auditor)
 For and on behalf of Azets Audit Services, Statutory Auditor
 Bulman House, Regent Centre
 Gosforth
 Newcastle upon Tyne
 NE3 3LS
 Date: 7 May 2026

Azets Audit Services is a trading name of Azets Audit Services Limited.

Azets Audit Services Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE 1989 WILLAN CHARITABLE TRUST**STATEMENT OF FINANCIAL ACTIVITIES - Year Ended 30th September 2025**

	Notes	Year ended 30 Sep 2025 £	Year ended 30 Sep 2024 £
INCOME			
Income from charitable activities	2	23,748	40,920
Other incoming resources:			
Dividends and Fixed Interest (Net)	3	415,048	450,866
Deposit Interest Received		5,686	9,134
TOTAL INCOME		444,482	500,920
EXPENDITURE			
Cost of raising funds:			
Investment Portfolio Management Fees	9	29,006	42,114
Expenditure on charitable activities:			
Gift in Kind	5	23,748	40,920
Donations	6	801,590	815,870
Cost of Grant Making	7	55,455	52,095
TOTAL EXPENDITURE		909,799	950,999
Revaluation of Investment Property	8	-	30,224
Realised gains/(losses) on disposal of Investment Property	8	(12,353)	-
Movement on Investments including Gains & Losses	9	1,087,740	2,268,968
NET MOVEMENT IN TRUST FUND		610,070	1,849,113
Total funds brought forward		22,136,326	20,287,213
Total funds carried forward		22,746,396	22,136,326

All activities above relate to Unrestricted Funds.

THE 1989 WILLAN CHARITABLE TRUST**BALANCE SHEET - At 30th September 2025**

	Notes	30 Sep 2025 £	30 Sep 2024 £
FIXED ASSETS			
Investment Property: Held for long term	8	-	95,108
Held for sale	8	151,108	183,500
Investments: Investment Portfolios	9	22,438,842	21,612,144
Programme Related Investments	10	100,674	50,000
		<u>22,690,624</u>	<u>21,940,752</u>
CURRENT ASSETS			
Accrued bank interest income		-	1,927
Debtors		756	489
Cash at Bank		72,155	395,357
		<u>72,911</u>	<u>397,774</u>
CURRENT LIABILITIES			
CREDITORS: Amounts falling due within one year	11	17,139	202,200
		<u>17,139</u>	<u>202,200</u>
NET CURRENT ASSETS			
		<u>55,772</u>	<u>195,574</u>
NET ASSETS			
		<u>22,746,396</u>	<u>22,136,326</u>
TRUST FUND			
	(Page 8)	<u>22,746,396</u>	<u>22,136,326</u>

The financial statements were approved by the Trustees on 06 May 2026

and signed on their behalf by:

Trustee
Willan Trustee Limited

Signed by:

704F1589F6C9406...
A Ohlsson
Director

Signed by:

90639B9E3D234B2...
F A Chapman
Director

THE 1989 WILLAN CHARITABLE TRUST**STATEMENT OF CASH FLOWS - At 30th September 2025**

	Notes	30 Sep 2025 £	30 Sep 2024 £
OPERATING ACTIVITIES:			
Net Movement in Trust Fund		610,070	1,849,113
Adjusted for:			
Movement on investments including gains and losses	9	(1,087,740)	(2,268,968)
Revaluation of Investment Property	8	-	(30,224)
Realised (gains)/losses on disposal of Investment Property	8	12,353	-
(Increase) / decrease in debtors		1,661	(1,115)
Increase / (decrease) in creditors	11	(185,061)	7,950
Net Cash Outflow from Operating Activities		(648,717)	(443,244)
INVESTING ACTIVITIES:			
Dividends and fixed interest	9	(415,048)	(450,866)
Purchase of investments	9	(500,000)	(4,900,000)
Investment management fees	9	29,006	42,114
Withdrawals from investment portfolios	9	1,147,084	5,962,883
Purchase of Programme Related Investments	10	(50,674)	(25,000)
Proceeds from disposal of investment properties	8	115,147	-
Net Cash Inflow from Investing Activities		325,515	629,131
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(323,202)	185,887
CASH AND CASH EQUIVALENTS AT 1 OCTOBER		395,357	209,470
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER		72,155	395,357

THE 1989 WILLAN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - Year Ended 30th September 2025

1. ACCOUNTING POLICIES

- Accounting Convention -

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the United Kingdom (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom (FRS 102) and the Charities Act 2011.

The 1989 Willan Charitable Trust (the "Trust", or "Charity") meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recorded at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The financial statements are prepared in sterling, which is the functional and presentational currency of the entity.

- Investment Property -

Property is shown at its fair value, which is taken to equal its market value, as estimated by the trustees. Any gain or loss on revaluation is taken to the Statement of Financial Activities. Property is held for the benefit of UK Registered Charities and the trustees do not receive commercial rent but account for the value of the commercial rent as rental income and as charitable donation. As property is held for long term capital gain and does not contribute to the net income of The 1989 Willan Charitable Trust, the trustees believe that it is not therefore appropriate to charge depreciation.

- Investments -

Investments are stated at their fair value, which is taken to equal the closing mid-market value as at 30th September 2025 (being the last working day of the year), net of any accrued management fees payable. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

- Programme Related Investments ("PRIs") -

PRIs are separately held from the Charity's other investments and are held at net recoverable cost. The PRIs represent loans and equity Investments made by the Charity into new start-up companies with the potential to increase economic activity and employment in the North East of England. At each year end, the trustees assess the likelihood of recovery and provide against these investments, reducing the value of the investments. Where PRIs are impaired at the year end, the Charity charges 'charitable activities' within resources expended. Where a gain is made upon disposal of a PRI, then the gain is reported under 'other incoming resources'.

- Debtors -

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

- Cash at bank and in hand -

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

- Creditors and provisions -

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

- Taxation -

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

THE 1989 WILLAN CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS - Year Ended 30th September 2025 (continued)

1. ACCOUNTING POLICIES (continued)

- Income -

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Interest receivable is recognised on a receivable basis, when the amount can be measured reliably - this is normally upon notification of the interest paid or payable by the bank.

- Investment Income -

Investment income is accounted for in the period in which the Charity is entitled to receipt.

- Gift in Kind -

Income from commercial trading activities is recognised as earned (as the related goods and services are provided) and as the rental and service charge falls due. Income regarded as "Rental income from properties" is included as a gift in kind based on the market rental value of each property, because the Charity has entered into lease arrangements with charitable organisations to provide accommodation at below market rental value, often for £Nil consideration.

The trustees recognise that in doing so, these type of transactions continue to further their Charity's objectives and are similar to the Charity providing donations to these other charitable organisations. As a result the trustees have recorded the market value of the property rental as "Income from Charitable Activities - Rental Income from Properties" and an identical charge included as a "Gift in Kind" as part of Resources Expended in the Statement of Financial Activities ("SOFA"). This has a £Nil impact on the reported result for the year, but recognises both the income that would be otherwise received and the effective donation made. This treatment does not impact upon the basis for holding these properties, for their capital gain potential rather than their social purpose.

- Expenditure -

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds are those costs of investments management fees, together with their associated support costs.
- Expenditure on charitable activities includes the costs associated with the provision of grant making and include both the direct costs and support costs relating to the activities of the Charity.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

- Donations to the Community Foundation -

In September 2020, the Charity entered into a Philanthropy Agreement with The Community Foundation, who are responsible for payments of grants and administer these from the funds held. Any donations paid to The Community Foundation under the agreement will become an irrevocable gift, recognised within donations in the Statement of Financial Activities. In 2023, the Philanthropy Agreement was extended to July 2026.

- Fund Accounting -

The trustees have adopted an absolute return approach to investment, aiming to generate (and distribute) a real return on the Charity's assets averaging 3-4% p.a. over the economic cycle. The Trust Deed makes no material distinction between the distribution of capital and the distribution of income, hence the Trust Fund balance is not segregated between them.

- Going Concern -

The trustees have reviewed activities and considered the Charity's financial position. The Trust has a significant level of cash and investments, and a net current asset and net asset position. The Trustees do not believe there are any material uncertainties regarding the Charity's ability to continue as a going concern for the next 12 months. Given this, the Trustees believe the Trust will be able to meet its obligations as they fall due for at least 12 months from approval of these financial statements and the financial statements have been prepared on a going concern basis.

THE 1989 WILLAN CHARITABLE TRUST**NOTES TO THE FINANCIAL STATEMENTS - Year Ended 30th September 2025 (continued)****2. INCOME FROM CHARITABLE ACTIVITIES**

	30 Sep 2025 £	30 Sep 2024 £
Rental income from properties	23,748	40,920

3. INVESTMENT INCOME

	30 Sep 2025 £	30 Sep 2024 £
UK Equities	38,279	96,327
UK Fixed Interest	42,988	40,778
UK Unit Trusts	-	18,951
Non UK Equities	47,864	61,805
Non UK Fixed Interest	3,057	43,996
Alternative Investments	24,752	9,262
Managed Funds	258,108	179,747
	<u>415,048</u>	<u>450,866</u>

4. TRUSTEES' REMUNERATION

No salaries or wages have been paid to employees, including the members of the committee during the year (2024: None).

5. GIFTS IN KIND

	30 Sep 2025 £	30 Sep 2024 £
Rental donations	23,748	40,920

As detailed in Note 8, the Trust owns property which is let to a registered charity at peppercorn rent. The commercial value of the rental for the period was approximately £23,748 (2024: £40,920). These amounts have been shown as rental income and as donations in kind. A full list of grants awarded is available on request from The Community Foundation at the address on page 1.

6. DONATIONS

	30 Sep 2025 £	30 Sep 2024 £
Donations to The Community Foundation	695,081	707,074
Donations to Universities	106,509	76,900
Donations to Changing Lives	-	31,896
	<u>801,590</u>	<u>815,870</u>

THE 1989 WILLAN CHARITABLE TRUST**NOTES TO THE FINANCIAL STATEMENTS - Year Ended 30th September 2025 (continued)****7. COST OF GRANT MAKING**

	30 Sep 2025 £	30 Sep 2024 £
The Community Foundation administration fees	34,754	35,354
Audit and accountancy fees	11,040	10,200
Legal and professional fees	5,429	5,501
Property related expenses	3,241	-
Travel costs	632	-
Insurance expense	209	950
Bank charges	150	90
	<u>55,455</u>	<u>52,095</u>

Analysis of Donations to Universities:-

	£	£
Teesside University	64,300	32,300
Sunderland University	17,279	25,600
Northumbria University	24,930	19,000
	<u>106,509</u>	<u>76,900</u>

The Trust has a rolling annual agreement with the universities listed above, for up to £33,000 per year at the trustees' discretion. The 2025/26 grant making round for Teesside University fell earlier in the academic year than in previous years, and therefore the above figure effectively represents two years' worth of donations.

8. INVESTMENT PROPERTY

Summary	Held for sale 30 Sep 2025 £	Held for long term 30 Sep 2025 £	Total 30 Sep 2025 £	Total 30 Sep 2024 £
Cost or valuation at beginning of period	183,500	95,108	278,608	248,384
Disposals - net of transaction costs	(115,147)	-	(115,147)	-
Transfer from held for long term / to held for sale	95,108	(95,108)	-	-
Revaluations in year	-	-	-	30,224
Realised gain/(loss) on disposal of Investment Property	(12,353)	-	(12,353)	-
Cost or valuation at end of period	<u>151,108</u>	<u>-</u>	<u>151,108</u>	<u>278,608</u>

By property -	Held for sale 30 Sep 2025 £	Held for long term 30 Sep 2025 £	Total 30 Sep 2025 £	Total 30 Sep 2024 £
15 Taylor Street, Blyth, Northumberland	34,666	-	34,666	34,666
77 Vine Street, South Shields, Tyne & Wear	-	-	-	57,500
15 Chichester Road, South Shields, Tyne & Wear	56,000	-	56,000	56,000
96 Northbourne Street, Gateshead, Tyne & Wear	-	-	-	70,000
100 Hallside Road, Blyth, Northumberland	60,442	-	60,442	60,442
	<u>151,108</u>	<u>-</u>	<u>151,108</u>	<u>278,608</u>

THE 1989 WILLAN CHARITABLE TRUST**NOTES TO THE FINANCIAL STATEMENTS - Year Ended 30th September 2025 (continued)****8. INVESTMENT PROPERTY (continued)**

All of the properties were freehold apart from 96 Northbourne Street which was leasehold.

15 Taylor Street was purchased on 17th June 2014 and let from 20th August 2014 to a registered charity for a peppercorn rent. The commercial value of the rent is approximately £8,160 p.a. (2024: £7,560).

100 Hallside Road was purchased on 12th November 2014 and was let from 4th February 2015 to a registered charity for a peppercorn rent. The commercial value of the rent for 100 Hallside Road was approximately £9,240 p.a. (2024: £8,520). Post year end, the Trustees sold 15 Taylor Street and 100 Hallside Road to the third party charity which leased the property. Sales prices were agreed post year end as £90,000 and £65,000 respectively, based on independent third party valuations. The sales completed on 26 February 2026.

As the sales prices were agreed post year end, this was considered a non-adjusting event and due to the risk of non-completion, the properties are held at their historic cost in the financial statements.

77 Vine Street, 15 Chichester Road, and 96 Northbourne Street were purchased on 11th September 2014, 26th September 2014, and 11th August 2014 respectively and were let to a registered charity for a peppercorn rent. The commercial value of the rent for these properties is approximately £27,000 p.a. (2024: £24,840). 77 Vine Street was sold to a third party on 17 June 2025, and 96 Northbourne Street on 22 August 2025.

At year end, 15 Chichester Road was held at the latest accepted offer price (which subsequently did not complete) during the year. Post year end on 2nd February 2026, the property was sold for £46,000.

The title deeds of the properties are currently held in the name of Willan Properties No1 Limited, Willan Properties No2 Limited and Willan Trustee Limited as the Charity is unincorporated and is not able to hold property directly. All three companies are controlled by the trustees of the Charity (Willan Trustee Limited being a trustee directly) and therefore have taken the view that the properties were beneficially owned by the Charity.

9. INVESTMENT PORTFOLIOS

	30 Sep 2025 £	30 Sep 2024 £
Market value at beginning of year	21,612,144	19,997,306
Income	415,048	450,867
Additions	500,000	4,900,000
Additions - within investment portfolios	652,741	1,699,493
Disposals - within investment portfolios	(652,741)	(1,699,493)
Expenses	(29,006)	(42,114)
Withdrawals	(1,147,084)	(5,962,883)
Movement on investments including gains and losses	1,087,740	2,268,968
Market value at year end	<u>22,438,842</u>	<u>21,612,144</u>
Held as follows:-	£	£
UK Equities	3,962,719	3,971,439
UK Fixed Interest	2,206,634	1,724,432
Non UK Equities	12,653,803	12,198,761
Non UK Fixed Interest	1,821,676	1,978,761
Alternative Investments	1,150,020	1,198,047
Investment Dealing Accounts	654,772	553,458
Accrued Management Fees	(10,782)	(12,754)
	<u>22,438,842</u>	<u>21,612,144</u>

THE 1989 WILLAN CHARITABLE TRUST**NOTES TO THE FINANCIAL STATEMENTS - Year Ended 30th September 2025 (continued)****9. INVESTMENT PORTFOLIOS (continued)**

Investments were held by:-

	£	£
Brewin Dolphin Newcastle - Discretionary portfolio	5,422,691	5,407,514
UBS AG Newcastle - Discretionary portfolio	-	264,361
Baillie Gifford - Managed Fund	9,076,117	8,733,059
CCLA Investment Managers - COIF Charity Fund	2,601,355	2,641,723
BNY Mellon - Newton Growth and Income Fund for Charities	2,937,702	2,686,364
McInroy & Wood - Balanced Fund	2,400,977	1,879,123
	<u>22,438,842</u>	<u>21,612,144</u>

Investment portfolios were managed by Brewin Dolphin Newcastle, UBS AG Newcastle (closed during 2025), Baillie Gifford, CCLA Investment Management Limited, BNY Mellon Investment Managers Limited, and McInroy & Wood Limited. Aside from Brewin Dolphin, all investments at year end were held in managed funds, and therefore allocation between investment types were on a "look-through" basis.

	30 Sep 2025 £	30 Sep 2024 £
Historic Cost	<u>17,112,736</u>	<u>17,294,605</u>

10. PROGRAMME RELATED INVESTMENTS

	30 Sep 2025 £	30 Sep 2024 £
<u>Cost</u>		
As at 1 October	75,000	50,000
Additions - Semester Student Planner Limited ("Semester")	-	25,000
Additions - Venture Sunderland Fund LP	50,674	-
As at 30 September	<u>125,674</u>	<u>75,000</u>
<u>Impairment</u>		
As at 1 October - Komotion Limited	(25,000)	(25,000)
Impairment	-	-
As at 30 September	<u>(25,000)</u>	<u>(25,000)</u>
<u>Carrying Value</u>		
Programme Related Investment balance as at 30 September	<u>100,674</u>	<u>50,000</u>

In 2018, the Charity made an equity investment in Komotion Limited, a start-up with the potential to increase economic activity and employment in the North East of England. At 30 September 2018, the investment was fully impaired, and at year end the trustees agreed it should remain fully impaired. Komotion Limited was dissolved on 19 November 2024.

In July 2022, the Charity invested in Semester, a start-up company established by Teesside University graduates, which focuses on the mental health of students and university employees, which has the potential to increase economic activity and employment. The Charity invested £50,000 in return for 45 preference shares; equating to 20% preferred equity. Given the early-stage of the start-up, and the viable business model which is currently cash-generating, the Trustees consider cost to be a reasonable approximation of fair value for this investment.

In May 2025, the Charity invested in Venture Sunderland Fund LP (the "Fund"), a fund managed by Northstar Ventures Limited, which aims to invest in small and medium sized companies in Sunderland, England. The Charity has committed £500,000 to the Fund however only a portion had been drawn by year end - as above. The investment is held at cost, which - given the early stage of investment - the Trustees consider equivalent to its fair value.

THE 1989 WILLAN CHARITABLE TRUST**NOTES TO THE FINANCIAL STATEMENTS - Year Ended 30th September 2025 (continued)****11. CREDITORS: Amounts Falling Due Within One Year**

	30 Sep 2025 £	30 Sep 2024 £
Grants payable - The Community Foundation	-	182,910
Accrued investment review fee	6,000	6,000
Accrued audit fees	11,040	10,200
Accrued legal and professional fees	-	3,090
Accrued property expenses	99	-
	<u>17,139</u>	<u>202,200</u>

12. TRUST FUND

The trustees have adopted an absolute return approach to investment, aiming to generate (and distribute) a real return on the Charity's assets averaging 3-4% per annum over the economic cycle. The Trust Deed makes no material distinction between the distribution of capital and the distribution of income and hence the balance of the Trust Fund is not segregated between them.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Total £
Unrestricted Funds - 2025	<u>151,108</u>	<u>22,539,516</u>	<u>55,772</u>	<u>22,746,396</u>
Unrestricted Funds - 2024	<u>278,608</u>	<u>21,662,144</u>	<u>195,574</u>	<u>22,136,326</u>

14. RELATED PARTY TRANSACTIONS

Mr A A Ohlsson, trustee, is a director of Carlton Management Services Limited, the company providing accounting and administrative services to the Charity. There was no charge made in respect of such services in 2025 or 2024, and no outstanding balances at the year end. Within the year there were no related party transactions with the trustees to disclose (2024: £0).

Mr A A Ohlsson and Mr F A Chapman, trustees, are directors of Somerston Ventures Limited, a company which also held a 5% equity share in Komotion Limited, until the company's dissolution.

15. CAPITAL COMMITMENTS

The Charity had capital commitments of £449,326 at year end (2024: £0), relating to Venture Sunderland Fund LP (note 10).

16. CONTINGENT LIABILITIES

The Charity had contingent liabilities of £0 at the year end (2024: £0).

17. ULTIMATE CONTROLLING PARTY

In the opinion of the trustees there is no ultimate controlling party other than the trustees.

18. EVENTS AFTER THE REPORTING PERIOD

See note 8 for details of three investment properties sold post year end. There were no other events or conditions which took place after the reporting date, to the date of approval of these financial statements, which were significant enough to warrant disclosure in these financial statements.