

Charity registration number SC002463 (Scotland)

MRS E M M PATON'S TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2025

MRS E M M PATON'S TRUST

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MRS E M M PATON'S TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2025

The trustees present their annual report and financial statements for the year ended 5 April 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

The principal objective of the charity is to make sure some provision for persons in necessitous circumstances who fall within any of the three following categories, videlicet:-

- retired general medical practitioners or their widows and dependents;
- retired clergy of the Episcopal Church in Scotland or of any other Church in the Anglican Communion or their widows or dependents; and
- retired ministers of the Church of Scotland or their widows or dependents.

The trustees consider how best to meet public benefit when reviewing the charity aim's and objectives, in planning future activities for the year ahead and beyond.

Achievements and performance

Housing policy

The established policy of the trustees is to meet their principal objective by providing suitable accommodation to applicants from the categories listed above. The trustees work with the secretaries to ensure that the properties owned by the charity are of a suitable nature and are properly maintained to meet both the needs of the residents and current legal requirements.

The trustees review the properties at least annually and consider improvements, possible sales of properties no longer considered ideal and purchase of appropriate properties. The trustees also take into account the number of applications they receive and the projected future income and expenditure of the charity in updating their policy.

Whilst the trustees generally aim to spend the available income on the properties, the Trust Deed requires that, in the event of a surplus being achieved on the rental activities, it be distributed equally between The Church of Scotland General Trustees, the Scottish Episcopal Church and The Royal Medical Benevolent Fund.

Review of achievements and performance; How the charity housing programme delivered public benefit

The benefit of the charity's work are the provision of appropriate accommodation to the beneficiaries from the groups listed above the rents below market rates. Throughout the year the trustees provided six properties to house beneficiaries. The trustees were pleased to be able to continue a satisfactory maintenance programme. The trustees are pleased with the achievements and performance of the charity as described below.

Accommodation

Six of the charity's properties were occupied throughout the year and appropriate repairs and maintenance work was undertaken as required. The rates of rent charged were below levels for comparable properties providing public benefit to the occupants. As noted in the 2021 Report, a further property was added to the Trust's portfolio by the way of a legacy, it was decided that this property did not meet the needs of the charity and was sold during the year. The trustees are mindful of the requirement to provide properties suitable to the needs of retired individuals and consider the type of properties and their location so as to achieve the greatest possible benefit.

Monitoring achievement

The trustees monitor the progress of their activities in various ways. An annual forecast is prepared and reviewed at the annual meeting. The Secretaries and the trustees liaise as required throughout the year to review and direct activities. There is regular discussion with the beneficiaries to identify any work needed to the properties and provide help where needed. This feedback is considered important in delivering the best service possible.

MRS E M M PATON'S TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

Financial review

In the year ended 5 April 2025 there was a net deficit of £68,836 (2024: net surplus of £16,905) before gains/losses on investments. Expenditure on charitable activities amounted to £75,908 (2024: £86,121). Investment management charges incurred amounted to £16,430 (2024: £12,571). Losses on investments were £52,097 (2024: gain of £83,216). Total reserves carried forward at the year end amounted to £4,244,766 (2024: £4,347,119). All reserves were unrestricted.

The charity's work relies heavily on the income from its investments. Half yearly reports are received from the charity investment advisers setting out key factors to be considered and projecting levels of income and investment management charges. The strategy of the trustees is to budget to apply all forecast income in the pursuit of the charitable purposes whilst protecting the capital invested so as to preserve future income levels and so sustain the activity level of the charity.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Investment policy

The Trust Deed is silent on investment powers so that the trustees are subject to statutory investment powers currently contained in the Charities and Trustees Investment (Scotland) Act 2005.

The investment policy of the trustees is to achieve a spread of investments in listed securities and government stocks to generate sufficient income to cover the anticipated running costs of the charity leaving the balance for capital growth. The trustees follow a conservative approach taking into account the advice of their investment advisers.

The trustees are satisfied with the total return from their investments measured against benchmarks agreed with their investment advisers.

Major risks

The trustees have assessed the major risks to which the charity is exposed by creating a risk table which they review annually. The risk table and reviews consider the procedures in place to address and minimise the risks and changes are applied as appropriate.

The principal risks faced by the charity lie within the performance of its investments; operational risks from ineffective housing policy; the demand for the services of the charity by appropriate beneficiaries as well as the ability to recruit able trustees with relevant skills and experience.

The trustees consider the variability of investment returns from the portfolio to be the charity's major financial risk. This risk is mitigated by the appointment of expert professional advisers with considerable experience in the charity sector. Taking professional advice into consideration the trustees seek to maintain a diversified portfolio providing a predictable level of income to sustain the programme of charitable activities and services.

The risk of ineffective housing is addressed by maintaining close contact with the current beneficiaries and discussing legal responsibilities with the Secretaries. periodically the trustees correspond with the three parent bodies of the beneficiary groups to help identify needs.

MRS E M M PATON'S TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

Plans for future periods

The trustees are committed to ensuring that they can sustain a significant level of support to alleviate the condition of those in necessitous circumstances within beneficiary groups.

The trustees intend to continue to achieve their objectives by the provision of suitable accommodation. In the next year the trustees anticipate:

- continuing to provide properties for beneficiaries;
- continuing to maintain these properties to a satisfactory standard;
- continuing to provide subsidised rents to the beneficiaries; and
- liaising with the Scottish Episcopal Church, Church of Scotland and Royal Medical Benevolent Fund as required.

Structure, governance and management

The charity is an unincorporated trust, established by a Deed of Trust dated 25 June 1960. The Scottish Charity number is SC002463. The charity was established by a legacy from [REDACTED] who desired to assist the retired groups described above. The trustees do not actively fundraise but seek to continue the charitable work desired by the donor through careful stewardship of existing resources.

Recruitment and appointment of trustees

New trustees are appointed either as office holders or nominees of certain bodies identified in the Trust Deed or by the existing trustees and once appointed continue in office until they retire. An induction process for potential new trustees includes an invitation to a meeting to provide an opportunity to see what is involved and to ask questions of existing trustees. An induction pack is provided containing a copy of the Trust Deed, most recent minutes, latest annual report and account and current guidance from OSCR (Office of the Scottish Charity Regulator) for trustees, on appointment, new trustees sign a trustee declaration statement committing them to giving of their time and expertise.

The charity is administered under the supervision of the trustees who meet at least annually and correspond in between meetings as needed. The day to day administration is carried out by the Secretaries in discussion with the trustees as required. At their annual meetings the trustees agree the strategy and areas of activity for the charity, including consideration of the housing policy, policy for investment management, required levels of reserves and risk management policies. The performance of the charity is reviewed at each meeting.

The charity does not operate any sub committees but instead trustees discuss all ongoing and strategic matters at their annual meetings. Expert advice is obtained regarding various matters from time to time. The trustees have personal knowledge of the needs of beneficiaries and several have current or past experience with other charities. In seeking to appoint new trustees the relevant skills required are carefully considered.

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

MRS E M M PATON'S TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

Organisational structure

Scottish Charity Number

SC002463

Secretaries and Administrative Office

Auditors

Bankers

Royal Bank of Scotland, 3 High Street, Dundee, DD1 9LY

Investment Advisers

Evelyn Partners Discretionary Investment Management, 148 Morrison Street, Edinburgh, EH3 8EX

Trustees

The following persons have served as trustees during the year and since the year end. The relevant nominating body or office is shown where appropriate.

Rector of St. Andrews Episcopal Church

Fife Council

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the trust deed. They 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

In accordance with the company's articles, a resolution proposing that Thomson Cooper be reappointed as auditor of the company will be put at a General Meeting.

MRS E M M PATON'S TRUST

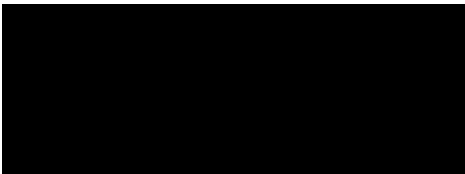
TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

Disclosure of information to auditor

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

The trustees' report was approved by the Board of Trustees.



Date: 12/12/2025

MRS E M M PATON'S TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF MRS E M M PATON'S TRUST

Opinion

We have audited the financial statements of [REDACTED] trust (the 'charity') for the year ended 5 April 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

MRS E M M PATON'S TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF MRS E M M PATON'S TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: existence and timing of recognition of income, posting of unusual journals along with complex transactions and non-compliance with laws and regulations. We discussed these risks with management, designed audit procedures to test the timing and existence of revenue and tested a sample of journals to confirm they were appropriate. In addition, we reviewed areas of judgement for indicators of management bias to address these risks.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the officers and other management (as required by the auditing standards).

We reviewed the laws and regulations in areas that directly affect the financial statements including applicable charity and company law and considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

With the exception of any known or possible non-compliance with relevant and significant laws and regulations, and as required by the auditing standards, our work in respect of these was limited to enquiry of the officers and management of the charity.

We communicated identified laws and regulations and potential fraud risks throughout our team and remained alert to any indications of non-compliance or fraud throughout the audit. However the primary responsibility for the prevention and detection of fraud rests with the trustees.

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. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

MRS E M M PATON'S TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF MRS E M M PATON'S TRUST

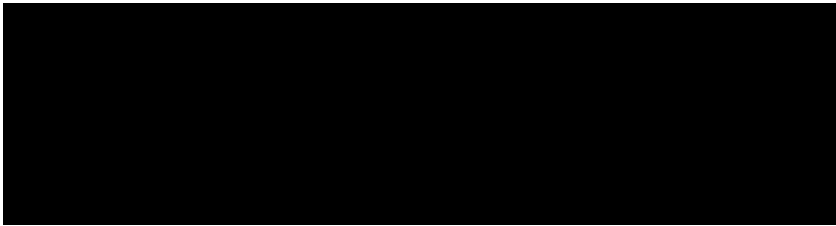
A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

In the previous accounting period the trustees considered that the audit requirement of Regulation 10(1) (a) to (c) of the Charities Accounts (Scotland) Regulations 2006 (as amended) did not apply. Therefore the prior period financial statements were not subject to audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



18-12-25

Date:

Thomson Cooper is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

MRS E M M PATON'S TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2025

		Unrestricted funds general	Unrestricted funds revaluation reserve	Total	Unrestricted funds general	Unrestricted funds revaluation reserve	Total
	Notes	2025 £	2025 £	2025 £	2024 £	2024 £	2024 £
Income from:							
Charitable activities	2	8,900	-	8,900	7,696	-	7,696
Investments	3	33,182	-	33,182	29,455	-	29,455
Total income		42,082	-	42,082	37,151	-	37,151
Expenditure on:							
Raising funds	4	16,430	-	16,430	12,571	-	12,571
Charitable activities	5	75,908	-	75,908	86,121	-	86,121
Other expenditure	9	-	-	-	4,770	-	4,770
Total expenditure		92,338	-	92,338	103,462	-	103,462
Net gains/(losses) on investments	10	576	(52,673)	(52,097)	(2,525)	85,741	83,216
Net income/(expenditure)		(49,680)	(52,673)	(102,353)	(68,836)	85,741	16,905
Transfers between funds		-	-	-	192,746	(192,746)	-
Net movement in funds	7	(49,680)	(52,673)	(102,353)	123,910	(107,005)	16,905
Reconciliation of funds:							
Fund balances at 6 April 2024		1,407,898	2,939,221	4,347,119	1,283,988	3,046,226	4,330,214
Fund balances at 5 April 2025		1,358,218	2,886,548	4,244,766	1,407,898	2,939,221	4,347,119

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

MRS E M M PATON'S TRUST

BALANCE SHEET

AS AT 5 APRIL 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	12	2,823,500		2,874,000	
Investments	13	1,302,443		1,420,932	
			4,125,943		4,294,932
Current assets					
Debtors	14	3,313		3,025	
Cash at bank and in hand		122,761		54,372	
			126,074		57,397
Creditors: amounts falling due within one year	15	(7,251)		(5,210)	
Net current assets			118,823		52,187
Total assets less current liabilities			4,244,766		4,347,119
The funds of the charity					
Unrestricted funds - general	17	1,358,218		1,407,898	
Unrestricted funds - revaluation reserve	16	2,886,548		2,939,221	
			4,244,766		4,347,119

The financial statements were approved by the trustees on 12/12/25

Trustee

MRS E M M PATON'S TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash absorbed by operations	20		(31,185)		(37,606)
Investing activities					
Movement in cash held for investment		8,870		(13,170)	
Proceeds from disposal of tangible fixed assets		-		529,017	
Purchase of investments		(16,106)		(580,014)	
Proceeds from disposal of investments		173,628		75,756	
Investment income received		33,182		29,455	
Net cash generated from investing activities			99,574		41,044
Net cash generated from financing activities			-		-
Net increase in cash and cash equivalents			68,389		3,438
Cash and cash equivalents at beginning of year			54,372		50,934
Cash and cash equivalents at end of year			122,761		54,372

MRS E M M PATON'S TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2025

1 Accounting policies

Charity information

The principal accounting policies adopted in the preparation of the financial statements are set out below. The charity's registered address is Thorntons Law LLP, Whitehall House, 33 Yeaman Shore, DD1 4BJ.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the next 12 months. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

MRS E M M PATON'S TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% Straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

MRS E M M PATON'S TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Derecognition of financial liabilities

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

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Charitable rental income	8,900	7,696

MRS E M M PATON'S TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2025

3 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income from listed investments	31,926	29,030
Interest receivable	1,256	425
	<u>33,182</u>	<u>29,455</u>

4 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Investment management	16,430	12,571
	<u>16,430</u>	<u>12,571</u>

5 Expenditure on charitable activities

	2025 £	2024 £
Direct costs		
Depreciation and impairment	50,500	50,500
Property maintenance and utilities	6,593	16,348
Insurance	3,341	3,469
Secretarial fees	10,800	10,560
	<u>71,234</u>	<u>80,877</u>
Share of support and governance costs (see note 6)		
Governance	4,674	5,244
	<u>75,908</u>	<u>86,121</u>
Analysis by fund		
Unrestricted funds - general	<u>75,908</u>	<u>86,121</u>

6 Support costs allocated to activities

	2025 £	2024 £
Governance costs	<u>4,674</u>	<u>5,244</u>

MRS E M M PATON'S TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2025

6 Support costs allocated to activities (Continued)

	2025 £	2024 £
Governance costs comprise:		
Audit fees	4,674	5,244
	<u>4,674</u>	<u>5,244</u>

7 Net movement in funds

	2025 £	2024 £
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The net movement in funds is stated after charging/(crediting):

Fees payable for the audit of the charity's financial statements	4,674	5,244
Depreciation of owned tangible fixed assets	50,500	50,500
Loss on disposal of tangible fixed assets	-	4,770
	<u>-</u>	<u>4,770</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Other expenditure

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Net loss on disposal of tangible fixed assets	-	4,770
	<u>-</u>	<u>4,770</u>

10 Gains and losses on investments

	Unrestricted funds general 2025 £	Unrestricted funds revaluation reserve 2025 £	Total 2025 £	Unrestricted funds general 2024 £	Unrestricted funds revaluation reserve 2024 £	Total 2024 £
Gains/(losses) arising on:						
Revaluation of investments	-	(52,673)	(52,673)	-	85,741	85,741
Sale of investments	576	-	576	(2,525)	-	(2,525)
	<u>576</u>	<u>(52,673)</u>	<u>(52,097)</u>	<u>(2,525)</u>	<u>85,741</u>	<u>83,216</u>

MRS E M M PATON'S TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2025

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Tangible fixed assets

	Freehold land and buildings £
Cost	
At 6 April 2024	2,975,000
At 5 April 2025	2,975,000
Depreciation and impairment	
At 6 April 2024	101,000
Depreciation charged in the year	50,500
At 5 April 2025	151,500
Carrying amount	
At 5 April 2025	2,823,500
At 5 April 2024	2,874,000

At 5 April 2022, the properties were valued by the trustees, with the assistance of J & E Shepherd, Chartered Surveyors, assuming vacant possession. This valuation includes land valued at £450,000.

13 Fixed asset investments

	Listed investments £
Cost or valuation	
At 6 April 2024	1,420,932
Additions	116,106
Valuation changes	(52,673)
Change in cash held for investment	(8,870)
Disposals	(173,052)
At 5 April 2025	1,302,443
Carrying amount	
At 05 April 2025	1,302,443
At 05 April 2024	1,420,932

All investments are carried at their fair value. Investments are traded either at bid prices for investment funds and unit trusts or stock exchange market prices. The basis of fair value is equivalent to market value using bid price or traded market prices. Asset sales and purchases are recognised at the date of the trade at cost (that is their transaction value).

MRS E M M PATON'S TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2025

14 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Prepayments and accrued income	3,313	3,025

15 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	1,610	247
Accruals and deferred income	5,641	4,963
	7,251	5,210

16 Unrestricted funds - revaluation reserve

These are unrestricted funds which are material to the charity's activities.

	At 6 April 2024 £	Transfers £	Gains and losses £	At 5 April 2025 £
	2,939,221	-	(52,673)	2,886,548
Previous year:	At 6 April 2023 £	Transfers £	Gains and losses £	At 5 April 2024 £
	3,046,226	(192,746)	85,741	2,939,221

17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 6 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 5 April 2025 £
General funds	1,407,898	42,082	(92,338)	-	576	1,358,218
Previous year:	At 6 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 5 April 2024 £
General funds	1,283,988	37,151	(103,462)	192,746	(2,525)	1,407,898

MRS E M M PATON'S TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2025

18 Analysis of net assets between funds

	Unrestricted funds general	Unrestricted funds revaluation reserve	Total
	2025	2025	2025
	£	£	£
At 5 April 2025:			
Tangible assets	72,242	2,751,258	2,823,500
Investments	1,167,153	135,290	1,302,443
Current assets/(liabilities)	118,823	-	118,823
	<u>1,358,218</u>	<u>2,886,548</u>	<u>4,244,766</u>
	Unrestricted funds general	Unrestricted funds revaluation reserve	Total
	2024	2024	2024
	£	£	£
At 5 April 2024:			
Tangible assets	122,742	2,751,258	2,874,000
Investments	1,232,969	187,963	1,420,932
Current assets/(liabilities)	52,187	-	52,187
	<u>1,407,898</u>	<u>2,939,221</u>	<u>4,347,119</u>

19 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

20 Cash absorbed by operations

	2025	2024
	£	£
(Deficit)/surplus for the year	(102,353)	16,905
Adjustments for:		
Investment income recognised in statement of financial activities	(33,182)	(29,455)
(Gain)/loss on disposal of tangible fixed assets	-	4,770
(Gain)/loss on disposal of investments	(576)	2,525
Fair value gains and losses on investments	52,673	(85,741)
Depreciation and impairment of tangible fixed assets	50,500	50,500
Movements in working capital:		
(Increase)/decrease in debtors	(288)	2,927
Increase/(decrease) in creditors	2,041	(37)
Cash absorbed by operations	<u>(31,185)</u>	<u>(37,606)</u>

MRS E M M PATON'S TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 5 APRIL 2025*

21 Analysis of changes in net funds

The charity had no material debt during the year.