

**The Shalimar Trust**

**Annual report and financial statements  
for the year ended 5 April 2025**

**(Scottish Charity Number SC036620)**

# The Shalimar Trust

## Charity information


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**Trustees****Address**

22 Meadowside  
Dundee  
DD1 1LN

**Solicitors**

Thorntons Law LLP  
Whitehall House  
33 Yeaman Shore  
Dundee  
DD1 4BJ

**Independent Examiner**

Henderson Loggie LLP  
Chartered Accountants  
The Vision Building  
20 Greenmarket  
Dundee  
DD1 4QB

**Bankers**

Bank of Scotland  
11 Earl Grey Street  
Edinburgh  
EH3 9BN

**Agents and Trust  
Secretaries**

William Thomson & Sons  
22 Meadowside  
Dundee  
DD1 1LN

**Charity number**

SC036620

# **The Shalimar Trust**

## **Trustees' report**

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The Trustees present their annual report and financial statements of the Trust 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 Trust's Constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in 2019. The Trust information set out on page 1 forms part of this report.

### **Objectives and activities**

The Trust Deed states that:

The Trustees shall hold the Trust Fund for charitable purposes exclusively.

### **Grant making policy**

The Trustees meet regularly to consider the distribution of income in terms of the Trust purposes and review the Trust investments. Reviews are also carried out during the year as considered necessary.

Unsolicited applications for donations are not encouraged and will not normally be acknowledged.

### **Structure, governance and management**

#### **Constitution**

The Trust was constituted by a Deed of Trust by [REDACTED] dated 22 May 2005.

The Trust Deed gives the Trustees discretion in regard to payment or application of capital or income of the Trust to charitable institutions or for any charitable purpose the Trustees may decide upon.

The Trust Deed provides that the Trust shall terminate on 31 December 2080.

#### **Trustees**

The Trustees at the date of this report are shown on page 1.

The power of appointing and removing Trustees rests with the Trustees.

#### **Trustee induction and training**

The Trustees have considered a policy on Trustee induction and training prior to new Trustees being approached. This includes awareness of a Trustee's responsibilities, the governing document, administrative procedures, and the history and philosophical approach of the Trust. A new Trustee receives copies of the previous year's financial statements, minutes of Trustees' meetings and a copy of the OSCR leaflet "Guidance and Good Practice for Charity Trustees", if appropriate.

# **The Shalimar Trust**

## **Trustees' report (continued)**

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### **Key management personnel**

The Trustees consider the board of Trustees to be the key management personnel of the Trust, in charge of directing and controlling the Trust and running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee remuneration or expenses were paid in the year.

Trustees are required to disclose all relevant interests and in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises.

### **Achievements and performance**

During the period under review the funds received by the Trust were donations, investment income and deposits.

The Trustees noted that the level of income received increased from £15,876 to £33,759 and grants paid increased from £22,247 to £38,248.

During the year, grants of £33,779 (2024 - £6,282) were paid to charitable organisations and grants of £4,469 (2024 - £15,965) were paid to 3 (2024 - 4) individuals in underdeveloped countries as overseas aid, predominantly to assist with education, medical and living costs.

### **Financial Review**

The results of the year are set out in the statement of financial activities showing net expenditure of £7,124 (2024 - £8,616) before losses on investments of £55,209 (2024 - gain of £23,050). The Trust's investment portfolio decreased in value from £277,466 to £222,257 during the year due to market conditions.

### **Investment policy and performance**

In accordance with the Trust Deed, the Trustees have the power to invest in such stocks, shares, investments and property as they see fit. The policy is to produce a balance of income and capital growth.

### **Related party transactions**

The trust received a donation of £20,000 (2024 - £Nil) from [REDACTED] estate.

### **Risk management**

The principal risk faced by the Trust lie in the performance of investments. The Trustees consider variability of investment returns to constitute the Trust's major financial risk.

# The Shalimar Trust

## Trustees' report (continued)

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### Reserves policy

The reserves of the Trust originate from original and subsequent capital donations together with the growth in value of investments. The Trustees have adopted a reserves policy that ensures the continuing ability of the Trust to meet its objectives. Reserves are retained primarily to meet significant requests for financial assistance and stock market risks. The level of free reserves held at 5 April 2025 was £258,262 (2024 - £320,595).

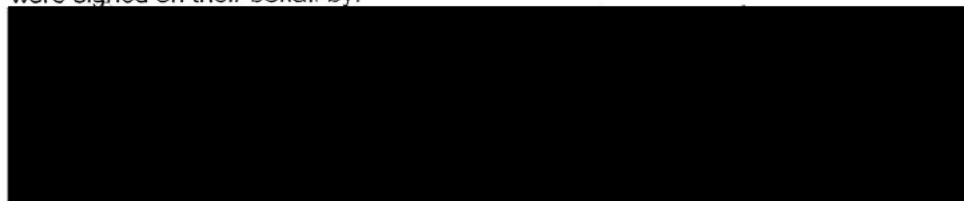
### Strategy

The Trustees have pursued their strategy of making grants to charities to an extent which absorbs as nearly as is practicable the whole incoming resources on a rolling basis and continued their practice of receiving and considering annual reports from the Investment Managers on the position of the Trust's portfolio of investments.

### Future strategy

The Trust is predominantly a grant giving charity and has no material ongoing commitments. The Trustees are mindful both of the potentially increased needs of many traditional beneficiaries and the potential decrease in future investment income and will manage the Trust's affairs in a manner that will ensure the Trust's ability to achieve its charitable objectives in the medium to long term can be met.

The report and financial statements were approved by the Trustees on 14 OCTOBER 2025 and were signed on their behalf by:

A large black rectangular box redacting the signature of the trustee.

# The Shalimar Trust

## Statement of responsibilities of the Trustees

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The Trustees are responsible for preparing the Trustees' Annual 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 Trust and of the incoming resources and application of resources of the Trust 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 Trust will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust 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 (as amended) and the provisions of the Trust's constitution. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# The Shalimar Trust

## Report of the Independent Examiner to the Trustees of The Shalimar Trust

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I report on the financial statements of the Trust for the year ended 5 April 2025 which are set out on pages 7 to 16.

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

### Respective responsibilities of the Trustees and Examiner

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

### Basis of Independent Examiner's Statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

### Independent Examiner's Statement

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

- 1 which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations
  - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Partner  
For on behalf of Henderson Loggie LLP  
Chartered Accountants  
The Vision Building  
20 Greenmarket  
Dundee  
DD1 4QB

..... 15 October 2025

# The Shalimar Trust

## Statement of financial activities for the year ended 5 April 2025

|   | Note | Unrestricted<br>Revenue<br>Fund<br>£ | Unrestricted<br>Capital<br>Fund<br>£ | Total<br>2025<br>£ | Unrestricted<br>Revenue<br>Fund<br>£ | Unrestricted<br>Capital<br>Fund<br>£ | Total<br>2024<br>£ |
|---|------|--------------------------------------|--------------------------------------|--------------------|--------------------------------------|--------------------------------------|--------------------|
| <b>Income from:</b>   |      |                                      |                                      |                    |                                      |                                      |                    |
| Donations and legacies  | 2    | 20,000                               | -                                    | 20,000             | 2,520                                | -                                    | 2,520              |
| Investment income   | 3    | 13,759                               | -                                    | 13,759             | 13,347                               | -                                    | 13,347             |
| <b>Total income</b>   |      | <b>33,759</b>                        | <b>-</b>                             | <b>33,759</b>      | <b>15,867</b>                        | <b>-</b>                             | <b>15,876</b>      |
| <b>Expenditure on:</b>  |      |                                      |                                      |                    |                                      |                                      |                    |
| Raising funds   | 4    | 134                                  | -                                    | 134                | 100                                  | -                                    | 100                |
| Charitable activities   | 5    | 40,749                               | -                                    | 40,749             | 24,383                               | -                                    | 24,383             |
| <b>Total expenditure</b>  |      | <b>40,883</b>                        | <b>-</b>                             | <b>40,883</b>      | <b>24,483</b>                        | <b>-</b>                             | <b>24,483</b>      |
| <b>Net expenditure and net movement in funds before (losses) / gains on investments</b> |      |                                      |                                      |                    |                                      |                                      |                    |
|   |      | <b>(7,124)</b>                       | <b>-</b>                             | <b>(7,124)</b>     | <b>(8,616)</b>                       | <b>-</b>                             | <b>(8,616)</b>     |
| Net (losses) / gains on investments   | 7    | -                                    | (55,209)                             | (55,209)           | -                                    | 23,050                               | 23,050             |
| <b>Net (expenditure)/income and net movement in funds</b>                               |      | <b>(7,124)</b>                       | <b>(55,209)</b>                      | <b>(62,333)</b>    | <b>(8,616)</b>                       | <b>23,050</b>                        | <b>14,434</b>      |
| <b>Funds reconciliation:</b>  |      |                                      |                                      |                    |                                      |                                      |                    |
| Total funds at 5 April 2024   |      | <b>(267,294)</b>                     | <b>587,889</b>                       | <b>320,595</b>     | <b>(258,678)</b>                     | <b>564,839</b>                       | <b>306,161</b>     |
| <b>Total funds at 5 April 2025</b>  | 10   | <b>(274,418)</b>                     | <b>532,680</b>                       | <b>258,262</b>     | <b>(267,294)</b>                     | <b>587,889</b>                       | <b>320,595</b>     |

All activities relate to continuing operations.

The notes on pages 9 to 16 form part of these financial statements.



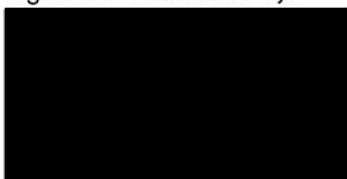
# The Shalimar Trust

Balance sheet as at 5 April 2025

|                                | Note | £             | 2025<br>£               | £             | 2024<br>£               |
|--------------------------------|------|---------------|-------------------------|---------------|-------------------------|
| <b>Fixed assets</b>            |      |               |                         |               |                         |
| Investments                    | 7    |               | 222,257                 |               | 277,466                 |
| <b>Current assets</b>          |      |               |                         |               |                         |
| Cash at bank                   |      | 36,855        |                         | 44,155        |                         |
|                                |      | <u>36,855</u> |                         | <u>44,155</u> |                         |
| <b>Current liabilities</b>     |      |               |                         |               |                         |
| Sundry creditors               | 8    | (850)         |                         | (1,026)       |                         |
| <b>Net current assets</b>      |      |               | 36,005                  |               | 43,129                  |
| <b>Net assets</b>              |      |               | <u>258,262</u><br>===== |               | <u>320,595</u><br>===== |
| <b>The funds of the Trust:</b> |      |               |                         |               |                         |
| Unrestricted capital           | 10   |               | 532,680                 |               | 587,889                 |
| Unrestricted revenue           | 10   |               | (274,418)               |               | (267,294)               |
|                                |      |               | <u>258,262</u><br>===== |               | <u>320,595</u><br>===== |

The notes on pages 9 to 16 form part of these financial statements.

These financial statements were approved by the Trustees on 14 OCTOBER 2025 and were signed on their behalf by:



# The Shalimar Trust

## Notes to the financial statements

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### 1 Accounting policies

#### Trust information

The Shalimar Trust is a charity registered in Scotland. The principal address is 22 Meadowside, Dundee, DD1 1LN.

#### Basis of preparation and assessment of going concern

The financial statements are prepared under the historical cost convention as modified by the revaluation of investments and include the results of the Trust's operations as indicated in the Report of the Trustees, all of which are continuing.

The financial statements have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in 2019, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Trust constitutes a public benefit entity as defined by FRS102.

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

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

The following is a summary of the significant accounting policies adopted by the Trustees in the presentation of the financial statements.

#### Income recognition

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

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

Legacies are included when the Trust is advised by the personal representative of an estate that payment will be made, property transferred, or there is entitlement, probable and reliably measured. The amount involved can be quantified.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividends yield of the investment portfolio.

# The Shalimar Trust

## Notes to the financial statements (continued)

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### 1 Accounting policies (continued)

#### **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to allocation of support and governance costs.

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

#### **Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

#### **Raising funds**

Raising funds consist of investment management costs and fundraising costs.

#### **Charitable activities**

Costs of charitable activities include grants paid and support costs as shown in note 5.

#### **Allocation of support costs**

Support costs include costs related to the independent examination, secretarial services and bank charges.

#### **Investment policy**

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

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

The main form of financial risk faced by the Trust is that of volatility in equity markets and investment markets due to wider economic conditions, the attitudes of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

# The Shalimar Trust

## Notes to the financial statements (continued)

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### 1 Accounting policies (continued)

#### Realised gains and losses

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

#### Debtors

Other debtors are recognised at the settlement amount due.

#### Cash at bank

Cash at bank includes cash held in a deposit or similar account.

#### Creditors and provisions

Creditors and provisions are recognised where the Trust 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.

#### 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.

#### Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust and which have not been designated for any other purpose.

Restricted funds are funds subject to specific Trusts, which may be declared by the donor or with their authority (e.g. by the restrictive wording of an appeal).

| 2 | Donations                    | 2025<br>£       | 2024<br>£      |
|---|------------------------------|-----------------|----------------|
|   | Donations including gift aid | 20,000<br>===== | 2,520<br>===== |

During the year the charity received donation income totalling £20,000 from the estate of [REDACTED]. The donation was accompanied with the expressed wishes that the charity make a donation to projects that Hands on Houses, the Equip Foundation are working on. The trustees considered this in line with the charity's objectives and resolved to make a donation of £20,000 to Hands on Houses, the Equip Foundation in accordance with the donor's wishes.

# The Shalimar Trust

## Notes to the financial statements (continued)

|              |  |                      |                 |
|--------------|--|----------------------|-----------------|
| <b>3</b>     | <b>Investment income</b>   | <b>2025</b>          | <b>2024</b>     |
|              |  | <b>£</b>             | <b>£</b>        |
|              | Dividends  | <b>12,524</b>        | 12,124          |
|              | Interest   | <b>1,235</b>         | 1,223           |
|              |  | <hr/>                | <hr/>           |
|              |  | <b>13,759</b>        | 13,347          |
|              |  | <b>=====</b>         | <b>=====</b>    |
| <br><b>4</b> | <br><b>Raising funds</b>   | <br><b>2025</b>      | <br><b>2024</b> |
|              |  | <b>£</b>             | <b>£</b>        |
|              | Investment fees  | <b>134</b>           | 100             |
|              |  | <b>===</b>           | <b>===</b>      |
| <br><b>5</b> | <br><b>Charitable activities</b>   |                      |                 |
|              | The Trust did not undertake any activity directly but met its charitable purpose by making grants. |                      |                 |
|              |  | <b>2025</b>          | <b>2024</b>     |
|              |  | <b>£</b>             | <b>£</b>        |
|              | American International University  | <b>7,393</b>         | -               |
|              | Camp Sonshine  | <b>433</b>           | -               |
|              | Equip Foundation   | <b>20,000</b>        |                 |
|              | Harvesters International Christian Academy   | <b>3,203</b>         | 3,282           |
|              | Midwives at Maternity Azur (MAMA)  | <b>2,750</b>         | 3,000           |
|              |  | <hr/>                | <hr/>           |
|              | Total grants paid to charitable organisations  | <b>33,779</b>        | 6,282           |
|              | Grants to 3 individuals (2024 - 4)   | <b>4,469</b>         | 15,965          |
|              |  | <hr/>                | <hr/>           |
|              |  | <b>38,248</b>        | 22,247          |
|              | Support costs (note 6)   | <b>2,501</b>         | 2,136           |
|              |  | <hr/>                | <hr/>           |
|              |  | <b>40,749</b>        | 24,383          |
|              |  | <b>=====</b>         | <b>=====</b>    |
|              | Range of grants to individuals and organisations   | <b>£50 - £20,000</b> | £50 – £6,204    |
|              |  | <b>=====</b>         | <b>=====</b>    |

# The Shalimar Trust

## Notes to the financial statements (continued)

### 6 Support costs

| 2025                       | Charitable activities<br>£ | Governance<br>£ | Total<br>2025<br>£ |
|----------------------------|----------------------------|-----------------|--------------------|
| Independent examiner's fee | -                          | 600             | 600                |
| Secretarial services       | 821                        | 205             | 1,026              |
| Bank charges               | 875                        | -               | 875                |
|                            | <u>1,696</u>               | <u>805</u>      | <u>2,501</u>       |
|                            | =====                      | =====           | =====              |
| 2024                       | Charitable activities<br>£ | Governance<br>£ | Total<br>2024<br>£ |
| Independent examiner's fee | -                          | 1,008           | 1,008              |
| Secretarial services       | (27)                       | (7)             | (34)               |
| Bank charges               | 1,162                      | -               | 1,162              |
|                            | <u>1,135</u>               | <u>1,001</u>    | <u>2,136</u>       |
|                            | =====                      | =====           | =====              |

### Key management

No Trustees received any remuneration or expenses in either of the two years ended 5 April 2025. The Trust has no employees.

### 7 Investments

|  | 2025<br>£      | 2024<br>£      |
|--|----------------|----------------|
| At 6 April 2024, cost                          | 190,649        | 190,649        |
| Unrealised appreciation                        | 86,817         | 63,767         |
|  | <u>277,466</u> | <u>254,416</u> |
| At 5 April 2024, at fair value                 | 277,466        | 254,416        |
| <b>Movement in the year</b>                    |                |                |
| (Decrease)/Increase in unrealised appreciation | (55,209)       | 23,050         |
|  | <u>222,257</u> | <u>277,466</u> |
|  | =====          | =====          |
| <b>At 5 April 2025, at fair value</b>          | <b>222,257</b> | <b>277,466</b> |
|  | =====          | =====          |
| <b>Represented by</b>                          |                |                |
| Investments at cost                            | 190,649        | 190,649        |
| Unrealised appreciation                        | 31,608         | 86,817         |
|  | <u>222,257</u> | <u>277,466</u> |
|  | =====          | =====          |

All listed investments are listed on a recognise stock exchange

|                        |                |                |
|------------------------|----------------|----------------|
| Unlisted UK securities | 167,724        | 215,676        |
| Listed UK securities   | 54,533         | 61,790         |
|                        | <u>222,257</u> | <u>277,466</u> |
|                        | =====          | =====          |

# The Shalimar Trust

## Notes to the financial statements (continued)

### 7 Investments (continued)

The Trustees consider investment holdings in excess of 5% of the portfolio value to be material.

|                           | <b>Fair value<br/>5 April 2025<br/>£</b> | <b>Fair value<br/>5 April 2024<br/>£</b> |
|---------------------------|--|--|
| <b>Material interests</b> |  |  |
| Alliance Trust plc        | <b>54,533</b>                            | 61,790                                   |
| DC Thomson & Co Ltd       | <b>167,724</b>                           | 215,676                                  |
|                           | <b>=====</b>                             | <b>=====</b>                             |

### Investment Risks

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Market risk: this comprises currency risk, interest rate risk and other price risk.

- Currency risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
- Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.

Other price risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Charity has exposure to these risks because of the investments it makes to implement its investment strategy. The Trustees manages investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Charity's strategic investment objectives. These investment objectives and risk limits are implemented through the investment manager agreements in place with the Charity's investment managers and monitored by the Trustees by regular reviews of the investment portfolios.

### Credit risk

The Charity invests in pooled investment vehicles and is therefore directly exposed to credit risk in relation to the instruments it holds in the pooled investment vehicles and is indirectly exposed to credit risks arising on the financial instruments held by the pooled investment vehicles.

### Analysis of direct credit risk

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements. The Trustees carry out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitor any changes to the regulatory and operating environment of the pooled manager.

Pooled investment arrangements used by the Charity comprise authorised unit trusts.

# The Shalimar Trust

## Notes to the financial statements (continued)

### Investment Risks (continued)

Indirect credit risk arises in relation to underlying investments held in the bond pooled investment vehicles. This risk is mitigated by only investing in pooled funds which invest in at least investment grade credit rated securities.

### Other price risk

Other price risk arises principally in relation to equities held in pooled vehicles. The Charity manages this exposure to other price risk by constructing a diverse portfolio of investments across various markets.

|          |                         |             |             |
|----------|-------------------------|-------------|-------------|
| <b>8</b> | <b>Sundry creditors</b> | <b>2025</b> | <b>2024</b> |
|          |                         | <b>£</b>    | <b>£</b>    |
|          | Accruals                | <b>850</b>  | 1,026       |
|          |                         | =====       | =====       |

|          |                              |             |             |
|----------|------------------------------|-------------|-------------|
| <b>9</b> | <b>Financial Instruments</b> | <b>2025</b> | <b>2024</b> |
|          |                              | <b>£</b>    | <b>£</b>    |

### Carrying amount of financial instruments

|   |                |         |
|---|----------------|---------|
| Financial assets measured at fair value through profit and loss | <b>222,257</b> | 277,466 |
|   | =====          | =====   |

Financial assets measured at fair value through profit comprises listed and unlisted investments.

|           |                              |                |               |                    |                  |
|-----------|------------------------------|----------------|---------------|--------------------|------------------|
| <b>10</b> | <b>Unrestricted funds</b>    |                |               |                    | <b>2025</b>      |
|           |                              | <b>Balance</b> | <b>Income</b> | <b>Expenditure</b> | <b>Balance</b>   |
|           |                              | <b>brought</b> | <b>£</b>      | <b>£</b>           | <b>carried</b>   |
|           |                              | <b>forward</b> |               |                    | <b>forward</b>   |
|           |                              | <b>£</b>       | <b>£</b>      | <b>£</b>           | <b>£</b>         |
|           | Unrestricted capital reserve | 587,889        | -             | (55,209)           | <b>532,680</b>   |
|           | Unrestricted revenue reserve | (267,294)      | <b>33,759</b> | (40,883)           | <b>(274,418)</b> |
|           |                              | =====          | =====         | =====              | =====            |
|           | <b>Total reserves</b>        | <b>320,595</b> | <b>33,759</b> | <b>(96,092)</b>    | <b>258,262</b>   |
|           |                              | =====          | =====         | =====              | =====            |
|           |                              | <b>Balance</b> | <b>Income</b> | <b>Expenditure</b> | <b>2024</b>      |
|           |                              | <b>brought</b> | <b>£</b>      | <b>£</b>           | <b>Balance</b>   |
|           |                              | <b>forward</b> |               |                    | <b>carried</b>   |
|           |                              | <b>£</b>       | <b>£</b>      | <b>£</b>           | <b>forward</b>   |
|           |                              | <b>£</b>       | <b>£</b>      | <b>£</b>           | <b>£</b>         |
|           | Unrestricted capital reserve | 564,839        | 23,050        | -                  | 587,889          |
|           | Unrestricted revenue reserve | (258,678)      | 15,867        | (24,483)           | (267,294)        |
|           |                              | =====          | =====         | =====              | =====            |
|           | <b>Total reserves</b>        | <b>306,161</b> | <b>38,917</b> | <b>(24,483)</b>    | <b>320,595</b>   |
|           |                              | =====          | =====         | =====              | =====            |



# The Shalimar Trust

## Notes to the financial statements (continued)

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### 11 Material commitments

There were no material commitments at 5 April 2025 (2024 - nil).