

MARCHIG ANIMAL WELFARE TRUST

REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2025

Scottish Charity No.: SC038057
England & Wales Charity No.: 802133

Whitelaw Wells
Statutory Auditors
9 Ainslie Place
Edinburgh
EH3 6AT

MARCHIG ANIMAL WELFARE TRUST

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MARCHIG ANIMAL WELFARE TRUST

Report of the Trustees Year ended 31 December 2025

The Trustees have pleasure in submitting their annual report for the year ended 31 December 2025.

The financial statements comply with the Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Trust Deed, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Purposes

The purposes of the Trust shall be wholly charitable. It operates as a grant-making Trust to promote and advance animal welfare and in furtherance of the following object: -

- to promote and encourage practical work in preventing cruelty to animals and relieving suffering of animals

Aims

The Trust furthers its charitable objects (described above) by making grants to organisations and individuals at home and abroad which share the same, or similar, objectives.

Activities

During the year the Trust continued to support a variety of organisations and individuals at home and abroad in accordance with its objects through awarding grants.

Grant making policy

The Trust invites applications for funding which are then reviewed against specific criteria as set by the Trustees in accordance with the Trust's objectives. A full and detailed report is available from the Head Office.

Public Benefit

The Trustees have considered the Charity Commission guidance on public benefit. The Trust's public benefit has been discharged by making grants and donations in accordance with its objectives, aims and grant making policy, to organisations directly involved in the provision of charitable services.

MARCHIG ANIMAL WELFARE TRUST

Report of the Trustees Year ended 31 December 2025

ACHIEVEMENTS AND PERFORMANCE

The Trust does not engage in charitable activities directly but meets its charitable purposes, and public benefit, by awarding grants to third party organisations.

During the year the Trustees have received and reviewed applications from a number of organisations. The Trustees are pleased to report that there were significant grants awarded in the year, both in number and in value. Grants paid and awarded in the year amounted to £2,396,217 (2024: £839,055). The increase was due to movements in future grant commitments increasing compared to the previous year, however, in cash terms grants paid were also up at £1,497,822 compared to £1,010,134 in 2024, as shown in note 2. A total of 95 (2024: 69) grants were paid out of which 18 (2024: 17) were for less than £5,000.

FINANCIAL REVIEW

Interest and dividends receivable in the year totalled £512,753 (2024: £528,348) with donations of £42,781 (2024: £47,614). Total income for the year was £555,534 (2024: £575,962), with expenditure of £2,666,972 (2024: £1,035,404) leaving a deficit for the year of £2,111,438 (2024: £459,442) before gains and losses on investments. Overall, there were net gain on investments of £818,677 (2024: gain of £1,283,159) and other losses of £26,011 (2024: loss of £4,454) leaving a net loss in funds for the year of £1,318,772 (2024: gain of £819,263), of which £1,325,193 (2024: £793,898) is unrestricted and £6,421 (2024: £25,365) is restricted after transfers.

Support costs amounted to £93,087 (2024: £81,879) during the year, therefore remaining low at 0.525% of the closing general fund balance (2024: 0.43%).

At 31 December 2025 the market value of investments held was £18.1m (2024: £18.3m), with the balance on the general fund £17.7m (2024: £19.0m).

Cash at the bank as at 31 December 2025 amounted to £894,844 (2024: £1,171,888).

Investment objectives, policy and performance

In accordance with the Trust Deed, the Trustees have the power to invest in such stocks, shares, investments and property in the UK or overseas as they in their sole discretion see fit. Specifically, the investment managers have been directed not to invest directly in any company which uses animals in non-medical research or whose practices are known to be materially contributing to 'climate change'. Furthermore, the Trustees would like their investment managers to increase exposure to industries and companies which are contributing to climate change mitigation and adaptation, avoiding at all times any 'over-pricing risk' within the system. The Trustees have engaged Rathbones as investment managers. The Trustees investment policy is geared towards a balanced return between capital and income.

The value of the investments has decreased by 0.78% in the year, mainly due to the net disposals of approximately £961,512. Increased market prices at the year-end resulted in unrealised gains of £907,855 within the portfolio. The Trustees closely monitor investment performance and are in regular contact with the charity's Investment Managers.

MARCHIG ANIMAL WELFARE TRUST

Report of the Trustees Year ended 31 December 2025

Investment objectives, policy and performance (continued)

Gross dividend income has decreased by £35,884 (0.9%) in the year following changes in the investment portfolio in the year.

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. They have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate exposure to the major risks.

The principal risks faced by the Trust are investment risk together with operational risk from occasional fraudulent grant applications.

The Trustees mitigate investment risk by maintaining a diversified investment portfolio managed by professional investment managers.

The operational risk of making ineffective grants is mitigated by ensuring the Trustees have the necessary skills and expertise to objectively assess each application received. The grant making process involves detailed scrutiny of all the applications by all Trustees in conjunction with the Trustees detailed knowledge of the sector. The review process is mainly focussed on making a difference in relation to animal welfare and protection derived from any grant made and ensuring fraudulent requests are detected.

Reserves Policy

It is the policy of the Trustees to ultimately distribute the income of the Trust in the form of grants or donations. At the year end the free reserves of the charity were £17,700,636 (2024: £19,000,829). Restricted funds at the year end were £31,786 (2024: £25,365). Designated funds at the year end to be utilised for the Morocco project were £Nil (2024: £25,000).

The majority of funds of the Trust are wholly unrestricted and are represented by a portfolio of investments and cash balances. The investments are managed on a discretionary basis by the investment managers. The Trustees have power to draw upon the investments in furtherance of the Trust's objectives whilst retaining sufficient funds to meet any commitments they may undertake.

As the assets of the Trust are held in a readily realisable form the Trustees do not therefore consider it necessary to maintain specific cash reserves.

PLANS FOR THE FUTURE

The Trustees will continue to consider all grant applications received and to assess them all according to merit. There is no internal requirement that a certain proportion of income be expended in any one year. The Trust also has an objective to invest the funds at its disposal in an effective manner thereby increasing the resources available to continue to make grants to worthwhile causes in the future.

The Trust is also involved in a campaign, in line with the charity's objectives, of seeking to end the inhumane killing of large numbers of dogs in Morocco. These costs have been represented separately on the profit and loss and totalled £86,360 in 2025 (2024: £22,249), with donation income of £42,781 (2024: £47,614) received.

MARCHIG ANIMAL WELFARE TRUST

Report of the Trustees Year ended 31 December 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document and constitution

The Trust is an unincorporated trust, constituted under a Trust Deed dated 13 September 1989 (amended 1 October 2001), and is recognised as a charity by the Office of the Scottish Charity Regulator, charity number SC038057, and by the Charity Commission in England & Wales, charity number 802133.

Recruitment and appointment of Trustees

The Trustees are appointed by the existing Board of Trustees and the Trust Deed provides for a minimum of three Trustees and a maximum of six Trustees. The charity has policies and procedures in place for the induction and ongoing training of new Trustees to ensure they are supported in their responsibilities and the charity's activities.

The Trustees meet at least twice in each calendar year and more often as occasion requires to agree the broad strategy and grants to be awarded by the Trust and consider other issues such as investment, reserve and risk management policies and performance. The quorum for each meeting is two thirds of the total number of Trustees with the Trustees meeting virtually three times during the current year.

Organisational structure

The charity is managed at a strategic level by the Trustees. In practice one Trustee has been delegated to perform the management and administration of the charity on a day-to-day basis. In August 2022, the charity engaged a grant administrator on an agreement basis, who is responsible for the receipt and processing of grant applications.

Pay and remuneration policy

In accordance with paragraph 4 of the Trust Deed, the Trustees have the power to indemnify and reimburse themselves for any expenses or liabilities incurred in relation to the Trust. The Trust has no staff administration and support is provided by third parties on an invoice basis.

MARCHIG ANIMAL WELFARE TRUST

Report of the Trustees Year ended 31 December 2025

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity name:	Marchig Animal Welfare Trust
Charity registration number:	SC038057 (Scotland) 802133 (England & Wales)
Principal office:	Caledonian Exchange 19A Canning Street Edinburgh EH3 8HE
Trustees:	Les Ward Janice McLoughlin Fraser Symon Matthew Tickle Luke Gamble (resigned 8 June 2025)
Statutory Auditors:	Whitelaw Wells Statutory Auditors 9 Ainslie Place Edinburgh EH3 6AT
Bankers:	Rathbone Investment Management 8 Finsbury Circus London EC2M 7AZ
Solicitors:	Lindsays Caledonian Exchange 19A Canning Street Edinburgh EH3 8HE
Investment managers:	Rathbone Investment Management 8 Finsbury Circus London EC2M 7AZ

MARCHIG ANIMAL WELFARE TRUST

Report of the Trustees Year ended 31 December 2025

STATEMENT AS TO DISCLOSURE TO AUDITORS

So far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware, and each Trustee has taken all the steps they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Trustees' responsibilities

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

The law applicable to charities in Scotland, England and Wales 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 at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the 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 Trust will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and 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 Trustees are responsible for the maintenance and integrity of the Trust and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees confirm that the accounts comply with the above requirements.

Approved by the Trustees on 2 July 2026 and signed on their behalf:



Les Ward
Trustee

MARCHIG ANIMAL WELFARE TRUST

Independent Auditor's Report to the Trustees of Marchig Animal Welfare Trust Year ended 31 December 2025

Opinion

We have audited the financial statements of Marchig Animal Welfare Trust for the year ended 31 December 2025, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the 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 applicable law and United Kingdom Accounting Standards, Including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2025 and of 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, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs UK) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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 in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

MARCHIG ANIMAL WELFARE TRUST

Independent Auditor's Report to the Trustees of Marchig Animal Welfare Trust Year ended 31 December 2025

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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' annual report;
- 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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 6, the Trustees are responsible for the preparation of the financial statements which 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

We have been appointed as auditor under sections 144 of the Charities Act 2011 and 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 based on these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

MARCHIG ANIMAL WELFARE TRUST

Independent Auditor's Report to the Trustees of Marchig Animal Welfare Trust Year ended 31 December 2025

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:

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error.

From enquiries of those charged with governance, it was determined that the risk of material misstatement from fraud was low with little scope for fraud to occur. Our audit testing is designed to detect material misstatements from fraud where there is not high-level collusion.

Our audit testing was designed to detect material misstatements from other irregularities that result from error where there is not high-level concealment of the error. In this regard the following audit work was undertaken: applicable laws and regulations were reviewed and discussed with management; senior management meeting minutes were reviewed; internal controls were reviewed; and journals were reviewed. From this audit testing it was determined that the risk of material misstatement in this regard was low.

We carried out income testing and grants payable testing which was designed to identify any irregularities as a result of simple mistakes or human error. From this audit testing it was determined that the risk of material misstatement in this regard was low.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Section 144 (1) of The Charities Act 2011, Section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Whitelaw Wells
Statutory Auditor
9 Ainslie Place
Edinburgh
Midlothian
EH3 6AS

2 July 2026

Whitelaw Wells is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

MARCHIG ANIMAL WELFARE TRUST

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING
THE INCOME AND EXPENDITURE ACCOUNT**

For the year ended 31 December 2025

	Note	Restricted Fund £	Unrestricted Fund £	2025 Total £	2024 Total £
Income and endowments from					
Investments:					
<i>Bank interest received</i>		-	151,338	151,338	131,049
<i>Dividends received</i>		-	361,415	361,415	397,299
Donations		42,781	-	42,781	47,614
		_____	_____	_____	_____
Total income		42,781	512,753	555,534	575,962
		_____	_____	_____	_____
Expenditure on					
Raising funds:					
<i>Investment management costs</i>		-	91,308	91,308	92,221
Charitable activities:					
<i>Grants Payable</i>	2	-	2,396,217	2,396,217	839,055
Morocco Campaign Costs		86,360	-	86,360	22,249
<i>Charitable activities</i>	3	-	93,087	93,087	81,879
		_____	_____	_____	_____
Total Expenditure		86,360	2,580,612	2,666,972	1,035,404
		_____	_____	_____	_____
Net Expenditure before gains and losses on investments		(43,579)	(2,067,859)	(2,111,438)	(459,442)
Net gains on investments	5	-	818,677	818,677	1,283,159
		_____	_____	_____	_____
Net income		(43,579)	(1,249,182)	(1,292,761)	823,717
Other recognised gains and losses					
Other (losses)		-	(26,011)	(26,011)	(4,454)
Transfer between funds		50,000	(50,000)	-	-
		_____	_____	_____	_____
Net movement in funds		6,421	(1,325,193)	(1,318,772)	819,263
Reconciliation of funds					
Balance on general fund at 31 December 2024		25,365	19,025,829	19,051,194	18,231,931
		_____	_____	_____	_____
Balance on general fund at 31 December 2025		31,786	17,700,636	17,732,422	19,051,194
		=====	=====	=====	=====

The charity has no recognised gains or losses other than the results for the year set out above.

All activities of the charity are classed as continuing and are unrestricted in the current and previous years.

The notes on pages 13 to 21 are an integral part of this statement of financial activities.

MARCHIG ANIMAL WELFARE TRUST

BALANCE SHEET

As at 31 December 2025

	Note	2025 £	2024 £
Fixed assets:			
Investments	5	18,118,471	18,261,305
Current assets:			
Cash at bank		894,844	1,171,888
		894,844	1,171,888
Creditors: amounts falling due within one year	6	(566,711)	(362,033)
Net current assets		328,133	809,855
Total assets less current liabilities		18,446,604	19,071,160
Creditors: amount falling due after more than one year	7	(714,182)	(19,966)
Total net assets		17,732,422	19,051,194
Funds:	9		
Unrestricted		17,700,636	19,000,829
Designated Fund (Morocco Campaign)		-	25,000
Restricted Fund		31,786	25,365
		17,732,422	19,051,194

Approved by the Trustees on 2 July 2026 and signed on their behalf:



Les Ward
Trustee

The notes on pages 13 to 21 are an integral part of these accounts.

MARCHIG ANIMAL WELFARE TRUST

STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	8	(1,751,308)	(1,157,041)
Cash flows from investing activities			
Dividends and interest received	512,753		528,348
Proceeds from sale of investments	4,978,859		7,200,925
Purchase of investments	(4,017,348)		(5,584,801)
Net cash provided by investing activities		1,474,264	2,144,472
Change in cash and cash equivalents in the reporting period		(277,044)	987,431
Cash and cash equivalents at beginning of reporting period		1,171,888	184,457
Cash and cash equivalents at end of reporting period	8	894,844	1,171,888

The notes on pages 13 to 21 are an integral part of these accounts.

MARCHIG ANIMAL WELFARE TRUST

NOTES ON FINANCIAL STATEMENTS For the year ended 31 December 2025

1. Accounting policies

a) Basis of preparation

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the accounts. The accounts have been prepared in accordance with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) and 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 (FRS102) (effective 1 January 2019). The financial statements have been prepared in pound sterling.

The Trust constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. With respect to the next reporting period, 2026, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the Trustees' annual report for more information).

b) Income recognition

All income is recognised once the charity has entitlement to the resource, it is probable that it will be received and the monetary value of the resource can be measured with sufficient reliability.

c) Expenditure recognition and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure.

- *Raising funds* consist of investment management fees.
- *Charitable activities* include grants awarded, direct charitable activities, Morocco campaign costs, overheads, and support costs, including governance costs.

Grants are regarded as commitments when the Trustees have approved a request for support that is payable over a financial year-end, have written to the beneficiary stating the amount and period over which grants will be made and the beneficiary has returned their Grant Acceptance Form. Where an award includes a condition outwith the charity's control the grant is only recognised once that condition has been met. If, within the commitment period, a beneficiary ceases or materially adversely changes its charitable operations or fails to meet any funding condition the Trustees would have no hesitation in withdrawing their commitment.

Morocco campaign costs are costs associated with the campaign, in line with the charity's objectives, of seeking to end the inhumane killing of large numbers of dogs in Morocco.

MARCHIG ANIMAL WELFARE TRUST

NOTES ON FINANCIAL STATEMENTS For the year ended 31 December 2025

1. Accounting policies (continued)

c) Expenditure recognition and irrecoverable VAT (continued)

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include governance costs which support Trust activities. These costs include the expenses of Trustee meetings, the statutory audit and legal and professional fees, and have been allocated to expenditure on charitable activities.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Trust that would permit the Trust to avoid making the future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is 3.75%, the Trustees consider this to be appropriate.

d) Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value. Listed fixed asset investments are subsequently measured at their fair value as at the balance sheet date using the market value at the balance sheet date.

The statement of financial activities includes the gains and losses arising on revaluation and disposals throughout the year. 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 opening market value (or purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and the opening market value (or purchase date if later). Exchange rate movements on investments held in foreign currencies are included in realised or unrealised gains or losses for the year.

Marchig Animal Welfare Trust does not directly 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 attitude of the investors to investment risk, and changes in sentiment concerning equities and within particular sectors and sub sectors.

e) Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the transaction date. Exchange rate differences are taken into account in arriving at movement in funds for the year.

f) Financial instruments

Financial instruments comprise financial assets and financial liabilities which are recognised when the charity becomes a party to the contractual provisions of the instrument. They are classified as "basic" in accordance with FRS102 and are accounted for at the settlement amount due, which equates to the cost. Financial assets comprise investments and cash. Financial liabilities comprise accruals.

MARCHIG ANIMAL WELFARE TRUST

NOTES ON FINANCIAL STATEMENTS For the year ended 31 December 2025

1. Accounting policies (continued)

g) Critical judgements and estimates

In preparing these financial statements, the Trustees have made judgements and estimates that affect the reported amounts of income, expenditure, assets, and liabilities. The key area of estimation relates to the valuation of investments, which are held in managed portfolios and measured at fair value using market data provided by investment managers at the year end. These valuations are considered to reflect fair and reasonable estimates. As a grant-giving trust no other significant areas of judgement or estimation were identified in the preparation of these accounts.

h) Cash and Cash Equivalents

Cash at bank and cash 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 deposit or similar account.

i) Creditors

Short term creditors are measured at transaction price. Grant commitments are recognised as liability when the charity has a constructive or legal obligation to make a payment.

j) Funds

Funds held by the charity are either unrestricted, designated, or restricted. Unrestricted funds are available for use at the discretion of the Trustees. Designated funds are unrestricted earmarked for specific purposes. Restricted funds are subject to donor-imposed conditions and are used in accordance with those terms. All funds are accounted for separately.

2. Charitable grants

The following is a summary of grants paid by the Trust during the year:

	2025	2024
	£	£
Tree Life for Animals	43,740	29,160
Blue Cross India	100,000	-
TEARS Animal Rescue	-	23,279
Worldwide Veterinary Service, UK	500,000	250,000
EAGLE Network	25,000	-
The Mayhew Home	-	23,606
Sea Shepherd Global	-	78,076
Friendicoes SECA	-	156,424
Help in Suffering	57,713	-
Fondazione Save the Dogs and Other Animals	21,334	-
Dumaguete Animal Sanctuary	34,037	-
Alpha Angels Animal Trust	31,768	-
SOS El Arca Animal Rescue	52,209	-
Wildlife and Conservation Foundation	25,000	-
Other Grants (less than £20,000)	607,021	449,589
Total paid in year (carried forward)	1,497,822	1,010,134

MARCHIG ANIMAL WELFARE TRUST

NOTES ON FINANCIAL STATEMENTS For the year ended 31 December 2025

2. Charitable grants (continued)

	2025 £	2024 £
Total paid in year (brought forward)	1,497,822	1,010,134
Future commitments	1,238,279	339,884
Less prior year future commitments	(339,884)	(510,963)
	2,396,217	839,055

During the year, 95 (2024: 69) grants were paid out totalling £1,497,822 (2024: £1,010,134), of which 18 (2024: 17) were for less than £5,000. There were 3 (2024: 9) future committed grants totalling £1,238,279 (2024: £339,884).

All grants in the current and previous year were paid to institutions with no amounts paid to individuals. Grants paid within the UK totalled £742,078 (2024: £392,907) with overseas grants totalling £755,744 (2024: £617,227).

3. Support costs

	2025 £	2024 £
Office and travel expenses	7,863	2,733
Trustee remuneration	40,856	40,744
Grant Administrator costs	23,080	22,101
Bank charges	1,556	1,392
Website support costs	432	157
Legal fees	930	1,050
Trustee meeting costs	5,914	802
Governance costs:		
Auditors remuneration: -		
Audit fee	9,000	9,900
Accounting and taxation services	3,456	3,000
	93,087	81,879

As the charity does not provide services directly but by the way of grants to other organisations, support and governance costs are not allocated against individual grants or donations. The Trust has no staff. Administration and support services are provided by Trustees on a voluntary basis and by a third party on an agreement basis. Governance costs wholly consist of auditor's remuneration. There are no support costs in the year in relation to the Morocco campaign.

MARCHIG ANIMAL WELFARE TRUST

NOTES ON FINANCIAL STATEMENTS For the year ended 31 December 2025

4. Analysis of charitable expenditure

The charity undertakes its charitable activities through grant making and awarded grants to several charities and institutions in furtherance of its charitable activities.

	Grants £	Morocco campaign £	Support costs £	Total 2025 £	Total 2024 £
Animal Welfare	2,396,217	86,360	93,087	2,575,664	943,183
	<u>2,396,217</u>	<u>86,360</u>	<u>93,087</u>	<u>2,575,664</u>	<u>943,183</u>

5. Investments

Movement on fixed asset investments

	2025 £	Total 2025 £	Total 2024 £
Fair value brought forward		18,261,305	18,594,270
Additions to investments at cost	4,017,348		5,584,801
Disposals at proceeds	(4,978,859)		(7,200,925)
Realised loss/(gain) on investments	(89,178)		214,739
Unrealised gain on investments	907,855		1,068,420
	<u></u>		
Net movement in the year		(142,834)	(332,965)
		<u></u>	<u></u>
Fair value carried forward		18,118,471	18,261,305
		<u></u>	<u></u>

Investments at fair value comprised:

	Listed £	Total 2025 £	Total 2024 £
UK Investments	7,311,795	7,311,795	7,775,742
Outside the UK	10,806,676	10,806,676	10,485,563
	<u></u>	<u></u>	<u></u>
	18,118,471	18,118,471	18,261,305
	<u></u>	<u></u>	<u></u>

MARCHIG ANIMAL WELFARE TRUST

NOTES ON FINANCIAL STATEMENTS For the year ended 31 December 2025

5. Investments (continued)

	Total Listed £	Total 2025 £	Total 2024 £
Historic cost of investments	16,623,881	16,623,881	16,762,359

All investments are carried at fair value. The basis of fair value for quoted investments is equivalent to the market value, using bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of the financial instruments to the ongoing financial sustainability of the Trust is considered in the financial review and investment policy and performance of the Trustees' Report.

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 attitude of the investors to investment risk, and changes in sentiment concerning equities and within particular sectors and sub-sector.

The Trust has managed the investment risks by engaging expert advisors and operating an investment policy that provides a high degree of diversification of holdings within investment asset classes that are mainly quoted on a recognised stock exchange. The Trust does not make use of derivatives or other similar complex financial instruments.

6. Creditors: amounts falling due within one year

	2025 £	2024 £
Accruals	42,614	39,383
Other Creditors	-	2,733
Future grant commitments	524,097	319,917
	566,711	362,033

7. Creditors: amounts falling due after one year

	2025 £	2024 £
Future grant commitments	714,182	19,966
	714,182	19,966

MARCHIG ANIMAL WELFARE TRUST

NOTES ON FINANCIAL STATEMENTS For the year ended 31 December 2025

8. Net cash (outflow)/inflow from activities	2025 £	2024 £
Net (expenditure)/ income before revaluations and investment asset disposals	(1,318,772)	819,263
Adjusted for:		
Investment income	(512,753)	(528,348)
Unrealised (gain) on investment	(907,855)	(1,068,420)
Realised loss/ (gain) on investment	89,178	(214,739)
Movement in creditors	898,894	(164,797)
Net cash (outflow) from operating activities	(1,751,308)	(1,157,041)

Analysis of changes in net funds:	At 1 January 2025 £	Cash flow 2025 £	At 31 December 2025 £
Cash at bank	1,171,888	(277,044)	894,844

9. Movement of Funds

	At 1 Jan 2025 £	Income £	Expenditure £	Gain/(Loss) on Investment £	Transfer of funds £	At 31 Dec 2025 £
Restricted Funds						
Morocco	25,365	42,781	(86,360)	-	50,000	31,786
Total Restricted Funds	25,365	42,781	(86,360)	-	50,000	31,786
Unrestricted Funds						
General Fund	19,000,829	512,753	(2,580,612)	792,666	(25,000)	17,700,636
Designated Fund	25,000	-	-	-	(25,000)	-
Total						
Unrestricted Funds	19,025,829	512,753	(2,580,612)	792,666	(50,000)	17,700,636
Total Funds	19,051,194	555,534	(2,666,972)	792,666	-	17,732,422

MARCHIG ANIMAL WELFARE TRUST

NOTES ON FINANCIAL STATEMENTS For the year ended 31 December 2025

9. Movement of Funds (continued)

Purposes of Restricted Funds

The Morocco Fund supports efforts seeking to end the inhumane killing of large numbers of dogs in Morocco.

Purposes of Designated Funds

The Designated Fund is specifically for the Morocco Campaign. The funds have been committed by the Trustees to support all associated campaign costs.

Transfers in the current year relates to contribution from general fund and designated fund to the restricted Morocco fund within the year in line with pre-agreed grants.

	At 1 Jan 2023 £	Income £	Expenditure £	Gain/(Loss) on Investment £	At 31 Dec 2024 £
Restricted Funds					
Morocco	-	47,614	(22,249)	-	25,365
	_____	_____	_____	_____	_____
Total Restricted Funds	-	47,614	(22,249)	-	25,365
	_____	_____	_____	_____	_____
Unrestricted Funds					
General Fund	18,231,931	503,348	(1,013,155)	1,278,705	19,000,829
Designated Fund	-	25,000	-	-	25,000
	_____	_____	_____	_____	_____
Total Unrestricted Funds	18,231,931	528,348	(1,013,155)	1,278,705	19,025,829
	_____	_____	_____	_____	_____
Total Funds	18,231,931	575,962	(1,035,404)	1,278,705	19,051,194
	=====	=====	=====	=====	=====

10. Analysis of net assets between funds

Fund balances at 31 December 2025 as represented by:	Unrestricted Funds £	Restricted Funds £	Total Funds £
Current assets	863,058	31,786	894,844
Fixed assets	18,118,471	-	18,118,471
Creditors less than 1 year	(566,711)	-	(566,711)
Creditors greater than 1 year	(714,182)	-	(714,182)
	_____	_____	_____
	17,700,636	31,786	17,732,422
	=====	=====	=====

MARCHIG ANIMAL WELFARE TRUST

NOTES ON FINANCIAL STATEMENTS For the year ended 31 December 2025

10. Analysis of net assets between funds (continued)

Fund balances at 31 December 2024 as represented by:	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Current assets	1,146,523	25,365	1,171,888
Fixed assets	18,261,305	-	18,261,305
Creditors less than 1 year	(362,033)	-	(362,033)
Creditors greater than 1 year	(19,966)	-	(19,966)
	19,025,829	25,365	19,051,194

11. Trustees Expenses

£13,777 (2024: £3,535) of expenses were paid to 3 (2024: 3) Trustees during the year for IT, travel and general meeting expenses. The increase on 2024, was due to additional travel expenses in furtherance of grants made or being considered. Fees for services of £40,856 (2024: £40,744) were paid to 1 (2024: 1) Trustee. At the year-end £Nil (2024: £2,733) was due to the Trustees.

12. Related Parties

Trustee Les Ward is also a Trustee of the Foundation Marchig, a Swiss charity. During the year the Trust awarded grants totalling £189,139 (2024: £366,845) that were supported by grants awarded by the Foundation Marchig.

The Trust engaged a grant administrator, Carrie Ward, daughter of Trustee Les Ward. The total fees for services in the year were £23,080 (2024: £22,101) with no amounts outstanding at the year end.

Trustee Luke Gamble is an employee of the Worldwide Veterinary Service UK, which received 3 (2024: 1) grants totalling £500,000 (2024: £250,000) in the year.

No Trustee or other person related to the Trust had any personal interest in any contract or transaction entered into by the Trust during the year.

13. Taxation

As the charity is exempt under the terms of Section 505 of the Income and Corporation Taxes Act 1988, there is no tax charge.