Charity Registration No. SC050628 (Scotland)

THE PATERSON FAMILY FOUNDATION

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR TO 9 DECEMBER 2025

MURRAY
BEITH
MURRAY

THE PATERSON FAMILY FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Alan William Paterson Julie Anne Paterson MBM Trustee Company Limited Cameron William Paterson
Charity number (Scotland)	SC050628
Principal address	c/o Murray Beith Murray LLP 3 Glenfinlas Street Edinburgh EH3 6AQ
Auditor	Whitelaw Wells Chartered Accountants 9 Ainslie Place Edinburgh EH3 6AT
Bankers	Royal Bank of Scotland 36 St Andrew Square Edinburgh EH2 2YB
Solicitors	Murray Beith Murray LLP 3 Glenfinlas Street Edinburgh EH3 6AQ
Investment advisors	The Progeny Group 18 Rutland Square Edinburgh EH1 2BB

THE PATERSON FAMILY FOUNDATION

CONTENTS

THE PATERSON FAMILY FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR TO 9 DECEMBER 2025

The Trustees present their report and financial statements for the year ended 9 December 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 Trust Deed, 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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities
The Charity's objects are established in its Constitution. The Charity's purposes are the prevention or relief of poverty and the advancement of religion.

The Trustees will make grants, donations, loans, gifts or pensions to individuals and make grants, donations or gifts to organisations.

To sustain the Charity's activities, the Trustees maintain an Endowment Fund, the income from which is used to finance the Charity's grant-making activities.

Grant Making Policy
Grants are made at the Trustees' discretion. Normally recipients are known to the Trustees and are making a significant impact in the charitable work in which they are involved. On occasion, the Trustees will consider a request for specific funding of a project where in the Trustees' judgement there is a need and a personal knowledge of those undertaking the project.

Achievements and performance
In this reporting period, the Charity awarded grants to thirteen institutions totalling £437,000 (2024: £495,500 to thirteen).

Financial review

The financial statements, presented overleaf, show that the Charity's gross income, excluding funds released from the Endowment fund, amounted to £90,426 (2024: £67,827). Investment income generated by the Endowment fund amounted to £82,608 (2024: £67,019). Other sources of income together amounted to £551 (2024: £808).

Gross expenditure from the Unrestricted fund amounted to £446,612 (2024: £506,774) and was composed thus:

Charitable Activities	£437,000 (2024: £495.500)
Support and Governance Costs	£ 9,612 (2024: £11,274)

In this reporting period, £437,000 (2024: £317,500) from the Endowment fund was used to assist with the payment of grants.

The value of the Endowment fund stood at £5,069,248 (2024: £5,205,138) at the end of this reporting period.

There were no additions to the Charity's Endowment fund in this reporting period (2024: £Nil).

The costs of administering the Charity's Endowment fund amounted to £27,551 (2024: £28,600) and was composed completely of investment management fees.

Reserves Policy

The Charity's free reserves at the end of this reporting period stood at £81,115 (2024: £301).

The Trustees generally seek to apply the whole free income of the Charity, making reasonable provision for professional fees and outlays where appropriate.

As the Trust does not provide direct charitable services, the Trustees believe that normal expenditure can be met from income generated. The funds of the Trust are wholly unrestricted at present represented primarily by investments and cash. The Trustees have power to draw upon the funds 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 ready realisable form, the Trustees do not consider it necessary to maintain specific reserves.

Investment Policy

The Trustees have instructed The Progeny Group to manage the Charity's investment funds on a discretionary basis. The Trustees have advised that they are prepared to accept a medium level of investment risk. The Progeny Group are instructed to seek return orientated toward medium risk profile and total return objective.

The Trustees have noted the investment performance and are pleased with the investment returns achieved.

Risk Management
The Trustees have considered the risks to which the Charity is exposed. These relate in the main to investment management and therefore the Trustees have employed an investment manager to advise them. Another risk to which the Charity is exposed is fraud. However, the Trustees consider that the process of application for donations made by the Trust reduces this risk.

The Trustees protect against the risk of financial mismanagement by the appointment of Solicitors, who are bound by the Law Society of Scotland Solicitors' Accounts Rules in relation to their client monies, to carry out the day to day administration of the Trust in compliance with regulations governing the Charities.

Plans for Future
The Trustees plan to continue to seek investment growth to allow sufficient funds for future grant awards.

Structure, governance and management
The Trust is an unincorporated Trust constituted by Deed of Trust by Alan William Paterson and Julie Anne Paterson dated 5 and 9 December 2020. Charitable Status was approved by OSCR on 14 December 2020.

The Trustees who served during the year and up to the date of signature of the financial statements were:
Alan William Paterson
Julie Anne Paterson
MBM Trustee Company Limited
Cameron William Paterson

Appointment of Trustees
Trustees are assumed (and resign) with the consent of the existing Trustees, under Section 3 of the Trusts and Succession (Scotland) Act 2024.
Training of the Trustees
The Trustees are well acquainted with the Charity and Trustee Investment (Scotland) Act 2005 and their responsibilities as Trustees and Solicitors. No further training beyond this is considered necessary.

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 (as amended) 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.

Trustees Remuneration
At present the Charity neither remunerates the Trustees nor reimburses the Trustees for any incidental expenses incurred in the discharge of their duties. MBM Trustees Limited act as a Trustee, and the directors of MBM Trustees Limited are Members of Murray Beith Murray LLP, whom the Charity engage to perform legal and other services.

In the current reporting year Murray Beith Murray LLP charged £6,313 (2024: £8,268) for their services.

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

Signed by:
Alan Paterson
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Alan William Paterson
Trustee
Dated: 17 June 2026

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE PATERSON FAMILY FOUNDATION

Opinion

We have audited the financial statements of The Paterson Family Foundation for the year ended 9 December 2025 which comprise the Statement of Financial Activities, 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 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity’s affairs as at 9 December 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 requirements of 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 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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' 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.

Responsibilities of Trustees

As explained more fully in the statement of Trustees’ responsibilities set out on page 3, 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 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.

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 income testing and expenditure testing, including grants payable, 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 Auditor.

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 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 the Charity’s Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:
Whitelaw Wells
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17 June 2026
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Whitelaw Wells

Chartered Accountants
Statutory Auditor

Chartered Accountants
9 Ainslie Place
Edinburgh
EH3 6AT

Whitelaw Wells is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

THE PATERSON FAMILY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR TO 9 DECEMBER 2025

	Notes	Unrestricted funds 2025 £	Endowment funds 2025 £	Total 2025 £	Total 2024 £
<u>Income from:</u>					
Donations and legacies	**2**	7,267.20	-	7,267.20	-
Investments	**3**	83,158.61	-	83,158.61	67,826.76
Total income		90,425.81	-	90,425.81	67,826.76
<u>Expenditure on:</u>					
Raising funds	**4**	-	27,551.03	27,551.03	28,600.56
Charitable activities	**5**	446,612.52	-	446,612.52	506,774.00
Other	**10**	-	20.00	20.00	-
Total resources expended		446,612.52	27,571.03	474,183.55	535,374.56
Net gains/(losses) on investments	**11**	-	328,681.34	328,681.34	638,204.08
Net (outgoing)/incoming resources before transfers		(356,186.71)	301,110.31	(55,076.40)	170,656.28
Gross transfers between funds		437,000.00	(437,000.00)	-	-
Net movement in funds		80,813.29	(135,889.69)	(55,076.40)	170,656.28
Fund balances at 10 December 2024		301.25	5,205,137.51	5,205,438.76	5,034,782.48
Fund balances at 9 December 2025		81,114.54	5,069,247.82	5,150,362.36	5,205,438.76

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE PATERSON FAMILY FOUNDATION

BALANCE SHEET

AS AT 9 DECEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Investments	**12**		5,090,838.20		5,189,549.12
Current assets					
Cash at bank and in hand		64,024.68		20,557.64	
Creditors: amounts falling due within one year	**13**	(4,500.52)		(4,668.00)	
Net current assets			59,524.16		15,889.64
Total assets less current liabilities			5,150,362.36		5,205,438.76
Capital funds					
Endowment funds - general			5,069,247.82		5,205,137.51
Income funds					
Unrestricted funds			81,114.54		301.25
			5,150,362.36		5,205,438.76

The financial statements were approved by the Trustees on 17 June 2026

Signed by:

Alan Paterson

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Alan William Paterson

Trustee

THE PATERSON FAMILY FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR TO 9 DECEMBER 2025

		2025		2024	
	Notes	**£**	**£**	**£**	**£**
Cash flows from operating activities					
Cash absorbed by operations	**16**		(467,083.83)		(540,834.56)
Investing activities					
Purchase of investments		(82,608.00)		(66,727.44)	
Proceeds on disposal of investments		510,000.00		506,219.29	
Interest received		83,158.61		67,826.76	
Net cash generated from investing activities			510,550.61		507,318.61
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			43,466.78		(33,515.95)
Cash and cash equivalents at beginning of year			20,557.64		54,073.59
Cash and cash equivalents at end of year			64,024.68		20,557.64

THE PATERSON FAMILY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR TO 9 DECEMBER 2025

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's 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)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The endowment fund represents the principal sum settled to the Trust, which the Trustees have invested in accordance with the powers conferred to them by the Trust Deed for the benefit of the future beneficiaries; the Trust Deed confers on the Trustees the power to apply such funds for charitable purposes at any time and may do so at their sole discretion. The Trustees apply the unrestricted income of the Trust for the benefit of current beneficiaries in accordance with their policy for donations.

The financial statements are prepared in sterling, which is the functional currency of the Charity.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments and certain financial instruments at fair value. 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 and for a period of at least 12 months, that the Charity 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.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 Incoming resources

Income is recognised when:

- the Charity becomes entitled to the resources;
- it is probable that the Trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability

Grants and Donations are recognised when the Charity has unconditional entitlement to the resources.

Tax reclaims on donations are included at the same time as the gift to which they relate.

Investment gains and losses include any gain or loss on the sale of investments, (proceeds less purchase cost if purchased in the year or market value at the end of the preceding year) and any gain or loss resulting from revaluing investments to market value at the end of the year.

1 Accounting policies **(Continued)**

1.5 Resources expended

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

Cost of raising funds includes all aspects of Investment Management costs.

Support costs are the direct costs associated with administering grants and other support costs in relation to the administration of the Charity in general and include governance costs which include costs of the preparation and examination of the statutory accounts, the costs of Trustees' meeting and cost of any legal advice to Trustees on governance or constitutional matters. Direct support costs are allocated to grants awarded on an ad valorem basis.

Grants with performance is where the Charity gives a grant with conditions for its payment being a specific level of service or conditions output to be provided, such grants are only recognised once the receipt of the grant has provided the specific service or output.

Grants payable without performance conditions are only recognised in the accounts when the a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the Charity.

1.6 Fixed asset investments

Investments quoted on a recognised stock exchange are valued at market value a the year end. Other investment assets are included at Trustees' best estimate of market value.

2 Donations and legacies

	Unrestricted funds	**Total**
	2025	**2024**
	£	**£**
Donations and gifts	7,267.20	-

3 Investments

	Unrestricted funds	Total
	2025	2024
	£	£
Income from listed investments	82,607.74	67,018.77
Interest receivable	550.87	807.99
	83,158.61	67,826.76

4 Raising funds

	Endowment funds general	Total
	2025	2024
	£	£
Investment management	27,551.03	28,600.56
	27,551.03	28,600.56

5 Charitable activities

	2025	2024
	£	£
Grant funding of activities (see note 6)	437,000.00	495,500.00
Share of support costs (see note 7)	6,312.52	8,274.00
Share of governance costs (see note 7)	3,300.00	3,000.00
	446,612.52	506,774.00

THE PATERSON FAMILY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR TO 9 DECEMBER 2025

6 Grants payable

	Relief of Poverty £	Advancement of Religion £	Total 2025 £	Total 2024 £
Grants to institutions:				
Bethany Christian Trust	50,000.00		50,000.00	62,500.00
Blythswood Care	50,000.00		50,000.00	50,000.00
Christianity Explored		136,000.00	136,000.00	112,000.00
Langham Arts Trust		50,000.00	50,000.00	71,000.00
Scripture Union		20,000.00	20,000.00	70,000.00
The Bonar Trust		30,000.00	30,000.00	30,000.00
The Word One to One		60,000.00	60,000.00	60,000.00
There is Hope		10,000.00	10,000.00	10,000.00
A Passion for Life		10,000.00	10,000.00	-
Universities & Colleges Christian Fellowship		10,000.00	10,000.00	-
Other		11,000.00	11,000.00	30,000.00
	100,000.00	337,000.00	437,000.00	495,500.00

7 Support costs

	Support costs	Governance costs	2025	2024
	£	£	£	£
Murray Beith Murray General Fees	6,312.52	-	6,312.52	8,268.00
Whitelaw Wells Audit Fees	-	3,300.00	3,300.00	3,000.00
Bank Charges	-	-	-	6.00
	6,312.52	3,300.00	9,612.52	11,274.00
Analysed between				
Charitable activities	6,312.52	3,300.00	9,612.52	11,274.00

Governance costs includes payments to the auditors of £3,300 (2024: £3,000) for audit fees.

8 Trustees

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

9 Employees

There were no employees during the year.

10 Other

	Endowment funds general 2025	Total 2024
	£	£
Murray Beith Murray Outlays	20.00	-
	20.00	-

11 Net gains/(losses) on investments

	Endowment funds general 2025 £	Total 2024 £
Revaluation of investments	316,933.47	605,911.82
Gain/(loss) on sale of investments	11,747.87	32,292.26
	328,681.34	638,204.08

12 Fixed asset investments

	Listed investments £
Cost or valuation	
At 10 December 2024	5,189,549.12
Additions	82,607.74
Realised Gain/(Loss)	11,747.87
Unrealised Gain/(Loss)	316,933.47
Disposals	(510,000.00)
At 9 December 2025	5,090,838.20
Carrying amount	
At 09 December 2025	5,090,838.20
At 09 December 2024	5,189,549.12

	2025 £	2024 £
Investments greater than 5% of portfolio comprised:		
Mgts Progeny Profolio Model 50-70%	3,638,062.00	3,715,963.00
Mgts Progeny Profolio Model 70-90%	1,452,776.00	1,473,586.00
	5,090,838.00	5,189,549.00

12 Fixed asset investments **(Continued)**

Market Overview

Global markets in 2025 experienced volatility driven by trade policy uncertainty and geopolitical tensions, yet asset prices demonstrated resilience.

The MSCI ACWI (All Country World Index) delivered a strong year, posting a 22.41% total return in 2025, underscoring the broad recovery across developed and emerging market.

In the United States, growth tempered sharply into year end. Data from the U.S. Bureau of Economic Analysis (BEA) reported Q4 GDP at 1.4%, down from 4.4% in Q3, influenced heavily by the 43 day government shutdown, the longest in recent history.

For the full year, U.S. GDP grew 2.2%, supported by consumption and AI linked corporate investment. Yet again, Artificial Intelligence dominated headlines, as companies worldwide invest significant sums into the new technology.

In the United Kingdom, full year UK GDP for 2025 registered 1.3% growth. Meanwhile, the FTSE 100 saw significant upside compared to its global counterparts, fuelled especially my minerals, banking and defence sectors.

Geopolitically, 2025 was marked by renewed tariff conflict. The Trump Administration’s sweep of Liberation Day tariffs shook markets, as both companies and countries recalibrated to the reality of Trump 2.0. And while some of the tariff policy was walked backwards, the USA has clearly indicated a more protectionist economic stance overall.

12 Fixed asset investments **(Continued)**

Equities

- The MSCI ACWI delivered a 22.41% return in 2025 (ACWI ETF annual total return).
- The FTSE 100 rallied 21% year-to-date as of late December 2025, marking its strongest annual performance since 2009, driven by financials and miners.
- The S&P 500 returned 22.41% in 2025 (via ACWI ETF comparison table) and remained highly concentrated in mega-cap leaders.
- The "Magnificent Seven" continued to dominate index weightings, accounting for 32.7% of the S&P 500's market cap by early 2026.
- While EM performance diverged widely, 2025 was characterized by continued tariff-linked pressure on China and India. India, for example, faced effective tariff burdens up to 50%, surpassing China's ~47% average rate, per CNBC's India–US tariff analysis.

Fixed Income

- The U.S. 10-year Treasury yield fluctuated materially through the year but ended 2025 elevated, supported by BEA data showing large deficit-financed issuance.
- UK yields reflected softer inflation but remained sensitive to geopolitical and energy-market shocks.
- Federal Reserve: Policy rate cut to 3.50–3.75% in December 2025, completing three 25 bps cuts that year.
- Bank of England: Base rate set at 3.75% in December after a narrow committee vote, marking the fourth cut of 2025.
- High-yield credit benefited from improved risk appetite and lower base rates, consistent with the macro environment described in Fed reporting.

Commodities & Alternatives

- Gold experienced one of its strongest years on record. Gold rose from ~$2,600/oz to over $4,300/oz, peaking at $4,379.13 on 17 October 2025. This performance was fuelled by geopolitical risk, U.S.–China trade tensions, and expectations of Federal Reserve easing.
- Copper surpassed $10,000 per tonne during parts of 2025 due to demand from global data-centre expansion and electrification infrastructure.
- Bitcoin saw a decline of 6.05% in dollar terms for the 2025 calendar year, though it should be noted that the cryptocurrency hit records highs in October – showcasing inherent volatility.

13 Creditors: amounts falling due within one year

	2025	2024
	£	£
Funds due to Murray Beith Murray	1,200.52	1,668.00
Funds due to Whitelaw Wells	3,300.00	3,000.00
	4,500.52	4,668.00

14 Analysis of net assets between funds

	Unrestricted funds	Endowment funds	Total 2025	Total 2024
	£	£	£	£
Fund balances at 9 December 2025 are represented by:				
Investments	-	5,090,838.20	5,090,838.20	5,189,549.12
Current assets/(liabilities)	81,114.54	(21,590.38)	59,524.16	15,889.64
	81,114.54	5,069,247.82	5,150,362.36	5,205,438.76

15 Related party transactions

MBM Trustee Company Limited is a Trustee and:-

- the Directors of MBM Trustee Company Limited are the Members of Murray Beith Murray LLP, whom the Charity has engaged as legal agents.

	2025	2024
	£	£
Total Remuneration	6,312.00	8,268.00

16	**Cash generated from operations**	**2025**	**2024**
		£	**£**
	(Deficit)/surpus for the year	(55,076.40)	170,656.28
	Adjustments for:		
	Investment income recognised in statement of financial activities	(83,158.61)	(67,826.76)
	Gain on disposal of investments	(11,747.87)	(32,292.26)
	Fair value gains and losses on investments	(316,933.47)	(605,911.82)
	Movements in working capital:		
	(Decrease) in creditors	(167.48)	(5,460.00)
	Cash absorbed by operations	(467,083.83)	(540,834.56)

17	**Cash and Cash Equivalents**	**Endowment funds permanent**	**Unrestricted funds**	**2025**	**2024**
		£	**£**	**£**	**£**
	Cash held by The Progeny Group	21,654.81	-	21,654.81	19,167.71
	Cash held by Murray Beith Murray	39,400.68	2,969.19	42,369.87	1,389.93
		61,055.49	2,969.19	64,024.68	20,557.64