Capital Charitable Trust

REPORT AND ACCOUNTS

For the year ended 5 April 2026

Caledonian Exchange
19ACanning Street
Edinburgh
EH3 8HE

Scottish Charity No SC004322

Capital Charitable Trust

Report and Accounts

For the year ended 5 April 2026

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Capital Charitable Trust

Trustees' Report

For the year ended 5 April 2026

Introduction

The Trustees present their report and the financial statements of the Charity for the year ended 5 April 2026. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the Accounts 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 (FRS102) effective 1 January 2019.

Objectives, Activities and Grant-Making Policy

All benefactions are to be retained as capital and the income is to be distributed at the Trustees' discretion to charitable institutions or bodies or committees carrying on charitable work in Great Britain or to individuals who, in the opinion of the Trustees, are deserving of financial assistance on the grounds of poverty. The Trustees have uncontrolled discretion to invest the funds of the Trust.

Achievements and Performance

During the period of these accounts the Trustees made grants and charitable donations to 6 organisations amounting in total to £15,000 (2025 6 organisations £30,000). Further details are contained in note 4 to the accounts.

Financial Review

During the period of these Accounts the Trustees made grants as noted above.

The financial position of the Trust is as shown in the accompanying Accounts which show that this year income has exceeded expenditure by £153 due to donations made in the year (2025: expenditure exceeded income by £17,892).

Investment income for the year was £20,837 (2025 - £19,894).

Realised gains on sales of shares were £154 and there were unrealised gains of £114,245 (during the previous year there were realised gains of £297 and unrealised losses of £27,887). There was a surplus on the General Funds of £4,573 (2025 – deficit of £9,381) reflecting the level of donations in the year and a surplus of £109,979 (2025 – deficit of £36,101) on the Capital (designated) Fund reflecting the investment gains and losses.

The total value of the trust funds held as at 5 April 2026 amounted to £830,703 (2025 - £716,151). The Trustees are satisfied that adequate funds were available at the Balance Sheet date to continue to fulfil the charitable objectives of the Trust.

Investment policy and performance

The Trust's investments are included in the designated Capital Fund.

The investment objective of the Trustees is to achieve an above average income yield together with growth of income over the long term. To implement that objective, Charles Stanley manage the investment portfolio on behalf of the Trustees. The value of the portfolio increased from £684,414 to £781,663 as a result of market conditions during the period.

Risk Management

The principal risk faced by the trust lies in the performance of investments.

The Trustees consider variability of investment returns on the capital (designated) fund to constitute the charity's major financial risk. This is mitigated by retaining expert investment managers and having a diversified investment portfolio. The trustees have directed the investment managers to manage the funds with a balance between income and capital growth and a medium/high risk classification. The Trustees are aware of risks associated with grant-making and give careful consideration to all applications.

Reserves Policy

The Trustees have chosen to designate the capital funds held by the Trust, being the original capital of the Trust, adjusted annually for income, grants and fees related to capital and for investment gains and losses, to preserve the income generating capacity of the Trust; they have power to apply the capital and the general funds towards the charitable purposes to such an extent as they may from time to time think fit. Income is expended at the Trustees' discretion after reserving sufficient funds to cover one year's support costs.

The Trust's reserves at 5 April 2026 were £830,703 (2025: £716,155). The Trustees are satisfied that this level of reserves is adequate to allow the Trust to continue to meet its objectives on an annual basis.

Future Plans

The Trustees will, in future, be making grants in support of other charities operating mainly in Edinburgh rather than to individuals and their main focus will be charities providing to support for young people and the vulnerable elderly.

Structure, Governance and Management

The Trust was established by Deed of Constitution dated 24 November 1955 and is administered by Trustees who have appointed Lindsays LLP as agents. The Trustees have power to appoint up to four trustees assuming new Trustees when necessary.

The Trustees are familiar with the work of the Trust. If there are any areas where additional training is required, this will be discussed at a Trustees' meeting and a solution identified.

The day to day management of the Trust was delegated to Callum Kennedy until 31 July 2025 and Lynsey Kerr thereafter.

Details of Transactions with Related Parties

Lindsays Trustees & Executors Limited, as one of the Trustees, is a wholly-owned trustee company belonging to Lindsays LLP Solicitors to whom fees are paid for the secretarial and administrative support provided to the Trust. The payment of fees to Lindsays LLP is permitted with Lindsays LLP in regard to those services in compliance with the terms of S.67 of the Charities and Trustees Investment (Scotland) Act 2005.

Reference and Administrative Information

Scottish Charity Number: SC004322

Trustees
C S Kennedy WS (resigned 31 July 2025)
M W Yellowees WS (resigned 31 July 2025)
L Kerr WS (appointed 31 July 2025)
C McCarroll WS (appointed 31 July 2025)
N Noble WS (appointed 31 July 2025)
Lindsays Trustees & Executors Limited (appointed 31 July 2025)

Legal Advisers
Lindsays LLP
Caledonian Exchange
19A Canning Street
Edinburgh
EH3 8HE

Independent Examiner
Julian Cordery FCCA, FCA, CA
Gibson McKerrell Burrows Limited
28 Rutland Square
Edinburgh
EH1 2BW

Investment Managers
Charles Stanley
2 Multrees Walk
St Andrew Square
Edinburgh
EH1 3DQ

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Report of the Trustees 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, the Charities and Trustee Investment (Scotland) Act 2005, Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution 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, including the income and expenditure, of the charity for that period. 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 Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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 charity's constitution. 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.

Approved by the Trustees on 9 June 2026 and signed on their behalf by:

Lynsey C Kerr

Lynsey Kerr WS

Capital Charitable Trust

Independent Examiner's Report to the Trustees

For the year to 5 April 2026

I report on the Accounts of the Charity for the year ended 5 April 2026 which are set out on pages 6 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts 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 accounts 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 was 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 accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as 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 accounts.

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, and
- to prepare accounts 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 accounts to be reached.

Julian Cordery FCCA, FCA, CA
Gibson McKerrell Burrows Limited
28 Rutland Square
Edinburgh
EH1 2BW

15 June 2026

Capital Charitable Trust

Statement of Financial Activities
including Income and Expenditure Account

For the year ended 5 April 2026

	Notes	General 2026 £	Permanent Endowment Designated 2026 £	Total funds 2026 £	2025 £
<u>Income from:</u>					
Investment income	3	20,837	-	20,837	19,894
Donations		-	-	-	2,000
Total income		20,837	-	20,837	21,894
<u>Expenditure on:</u>					
Raising funds: investment management fees		-	1,300	1,300	5,511
Charitable Activities	4	16,264	3,120	19,384	34,275
Total expenditure		16,264	4,420	20,684	39,786
Net income/(expenditure) and net movement in funds before gains and losses on investments		**4,573**	**(4,420)**	**153**	**(17,892)**
<u>Other recognised gains/(losses)</u>					
Realised gains/(losses) on disposal of investments		-	154	154	297
Unrealised gains/(losses) on investments	5	-	114,245	114,245	(27,887)
		-	114,399	114,399	(27,590)
Net movement in funds		**4,573**	**109,979**	**114,552**	**(45,482)**
Total funds brought forward		30,670	685,481	716,151	761,633
Total funds carried forward		**35,243**	**795,460**	**830,703**	**716,151**

No trust activities were acquired or discontinued during either of the two years.
The Notes on Pages 8 to 11 form part of these Financial Statements.

Capital Charitable Trust

Balance Sheet

As at 5 April 2026

	Notes	General 2026 £	Permanent Endowment Designated 2026 £	Total funds 2026 £	Total funds 2025 £
Fixed assets					
Investments	5	-	781,663	781,663	684,414
Current assets					
Debtors - accrued income		1,355	-	1,355	1,362
Cash held in bank		46,158	(5,009)	41,149	25,634
Charles Stanley deposit accounts		3,990	21,926	25,916	6,901
		51,503	16,917	68,420	33,897
Creditors: Amounts falling due within one year					
Grants Payable		(15,000)	-	(15,000)	-
Accruals		(1,260)	(3,120)	(4,380)	(2,160)
		(16,260)	(3,120)	(19,380)	(2,160)
Net current assets		35,243	13,797	49,040	31,737
Net assets		**35,243**	**795,460**	**830,703**	**716,151**
Total Charity Funds					
Unrestricted funds	7	**35,243**	**795,460**	**830,703**	**716,151**

Approved by the Trustees on 9 June 2026 and signed on their behalf by Lynsey Kerr WS.

Lynsey C Kerr

The Notes on Pages 8 to 11 form part of these Financial Statements.

Capital Charitable Trust

Notes to the Accounts

For year ended 5 April 2026

1. Principal Accounting Policies

(a) **Basis of preparation and assessment of going concern**
The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Second edition – October 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.

The Trustees consider there are no material uncertainties about the Trust's ability to continue as a going concern.

(b) **Financial reporting standard 102 – reduced disclosure exemptions**
The charity has taken advantage of the following disclosure exemptions in preparing these accounts, as permitted by the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102):
- the requirements of Section 7 Statement of Cash Flows

(c) **Funds Structure**
All of the Charity's funds are unrestricted; the Trustees have chosen to designate the capital funds of the charity to more clearly identify the income available for distribution. All of the Charity's funds are available to be used in furtherance of the charitable objects.

(d) **Income Recognition**
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; 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.

(e) **Expenditure recognition**
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity 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 note (i) below.

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 and the notification gives the recipient a reasonable expectation that they will receive a grant. Grants awards that are subject to the recipient fulfilling 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.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

(f) **Irrecoverable VAT**
Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(g) **Costs of generating funds**
The costs of generating funds consist of investment management costs as shown in note 4.

(h) **Charitable activities**
Costs of charitable activities include grants made, support and governance costs as shown in note 5.

(i) **Support and governance costs**
Support costs have been allocated between charitable activities and costs of generating funds. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination and an apportionment of overhead and support costs. Governance costs and support costs relating to charitable activities have been apportioned between funds based on an estimate by the Trustees. The allocation of support and governance costs is analysed in note 6.

(j) **Fixed asset investments**
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 charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(k) **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 carrying 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.

(l) **Cash and Cash equivalents**
Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2. **Trustees and Employees**

The Trust has no employees and none of the Trustees received any remuneration, nor were any expenses reimbursed to any of them, during the current or previous year.

Lindsays Trustees & Executors Limited, as one of the Trustees, is a wholly-owned trustee company belonging to Lindsays LLP Solicitors to whom fees are paid for the secretarial and administrative support provided to the Trust. The payment of fees to Lindsays LLP is permitted with Lindsays LLP in regard to those services in compliance with the terms of S.67 of the Charities and Trustees Investment (Scotland) Act 2005.

3. **Investment Income**

	General 2026	Designated 2026	Total funds 2026	2025
	£	£	£	£
UK Investments - Listed	20,312	-	20,312	19,393
Interest on funds held by Lindsays and Investment Managers	525	-	525	501
	20,837	-	20,837	19,894

4. **Expenditure on charitable activities**

Grant making

The Charity did not undertake any charitable activity directly but met its charitable purposes through grant-making. During the year grants and charitable donations were made by the Trustees to the following organisations:

	General 2026	Designated 2026	Total 2026	2025
	£	£	£	£
Edinburgh City Youth Café	2,500	-	2,500	5,000
Edinburgh Young Carers	2,500	-	2,500	5,000
Four Square (Scotland) Ltd	2,500	-	2,500	5,000
Governors of Dean Orphanage	2,500	-	2,500	5,000
Life Care (Edinburgh) Ltd	2,500	-	2,500	5,000
Dalmeny Development Project	2,500	-	2,500	5,000
	15,000	-	15,000	30,000
Support Costs				
Secretarial and administration costs	630	420	1,050	1,050
Bank charges	4	-	4	15
Accounting fees	-	570	570	540
	634	990	1,624	1,605
Governance Costs				
Independent examination	-	1,710	1,710	1,620
Legal fees	630	420	1,050	1,050
	630	2,130	2,760	2,670
	16,264	3,120	19,384	34,275

5. Investments

Investments at market value	2026 £	2025 £
As at 6 April 2025	684,414	722,571
Additions in period	-	188,871
Disposal in period	(16,996)	(199,141)
Unrealised gains/(losses) during year	114,245	(27,887)
As at 5 April 2026	781,663	684,414

Investments comprising more than 5% of the total investments were as follows:-

2026/2025 Number		Market Value 2026 £	Market Value 2025 £
9031	Fidelity US Equal Inc	82,171	67,326
999	Vanguard Fund - S&P 500 UCITS EFT USD DIS	93,941	75,739
951	HVAR I SHARES - gold	65,082	43,215

6. Related party transactions

Lindsays Trustees & Executors Limited, as one of the Trustees, is a wholly-owned trustee company belonging to Lindsays LLP Solicitors to whom fees are paid for the secretarial and administrative support provided to the Trust. The payment of fees to Lindsays LLP is permitted with Lindsays LLP in regard to those services in compliance with the terms of S.67 of the Charities and Trustees Investment (Scotland) Act 2005.

7. Analysis of charitable funds

2026 Analysis of Fund Movements	Balance b/f	Income	Expenditure	Gains and Losses	Fund c/f
General	30,670	20,837	(16,264)	-	35,243
Designated	685,481	-	(4,420)	114,399	795,460
	716,151	20,837	(20,684)	114,399	830,703

2025 Analysis of Fund Movements	Balance b/f	Income	Expenditure	Gains and Losses	Fund c/f
General	40,051	21,894	(31,275)	-	30,670
Designated	721,582	-	(8,511)	(27,590)	685,481
	761,633	21,894	(39,786)	(27,590)	716,151