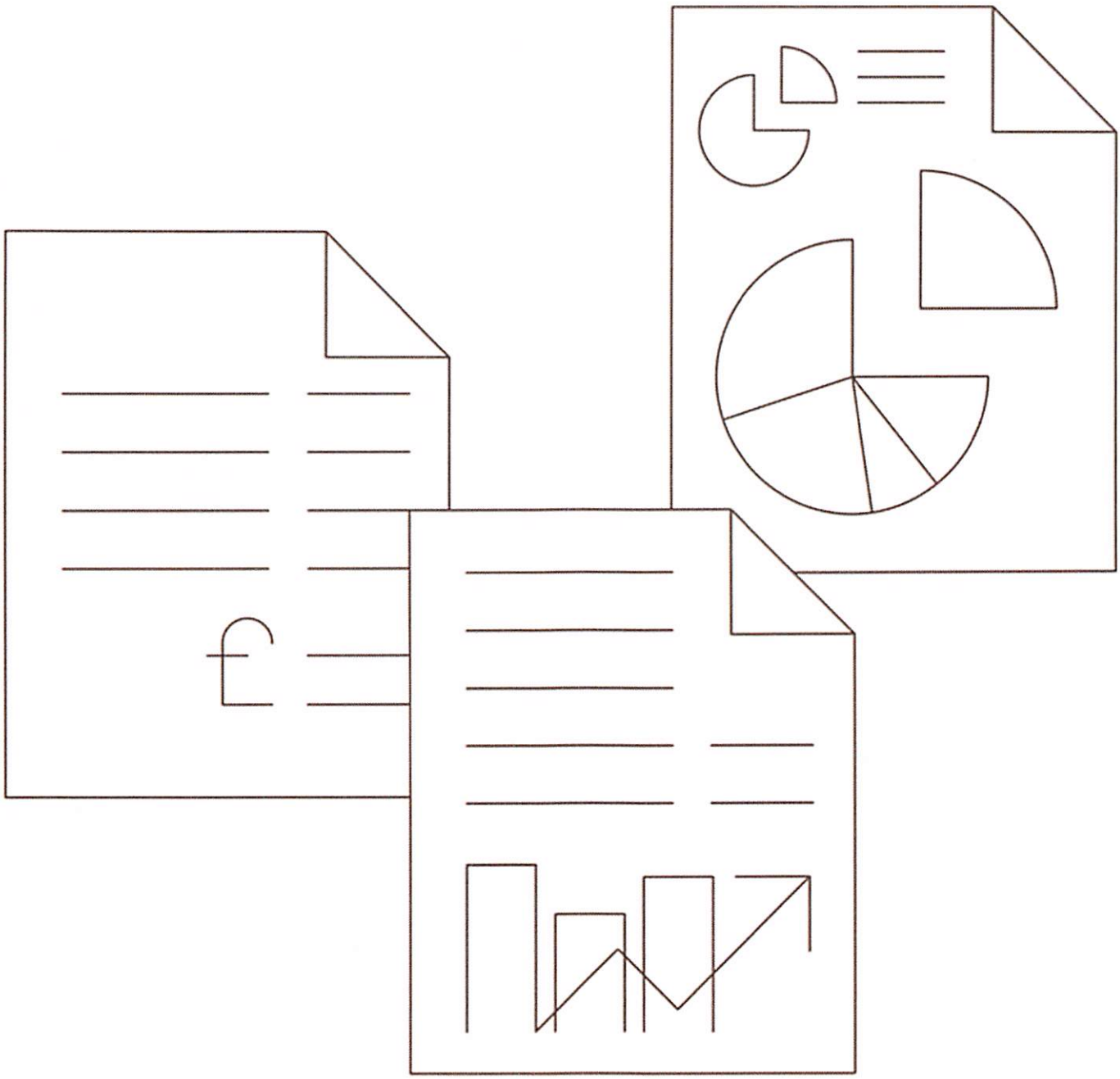
The Dacon Trust Limited
Financial Statements

For the Year Ended: 31 December 2025
Registered Company No: 00968662
Registered Charity No: 260380



THE DACON TRUST LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2025

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THE DACON TRUST LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2025

TRUSTEES	Mr D Flynn (resigned 17/2/25) Mrs K Hyde Mrs S A Croft Mr D Godfrey Mr G E Mitchell (resigned 10/8/26) Mrs E L Wadforth (resigned 2/3/26) Mr A Dray (appointed 11/6/25) Mr S King (appointed 16/9/25)
COMPANY SECRETARY	Mrs S A Croft
REGISTERED OFFICE	26 St Johns Street Colchester Essex CO2 7HB
REGISTERED COMPANY NUMBER	00968662
REGISTERED CHARITY NUMBER	260380
AUDITORS	TC Group Town Wall House Balkerne Hill Colchester Essex CO3 3AD
BANKERS	Barclays Bank PLC 9 High Street Colchester Essex CO1 1DD

The trustees who are also directors of the charity for the purpose of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2025.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document. The trustees have adopted the provisions of 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

The Dacon Trust's charitable objectives are to support the education and development of life and employment skills for adults and young people with learning disabilities.

The Trust's principal activity is the provision of day services through Level Best Enterprises in Colchester. Level Best provides purposeful, enterprise-based activities which enable Trainees to develop work and life skills in a supportive, personalised and community-based environment.

Level Best operates through four main enterprises:

- Level Best Café
- Level Best Art and Gallery
- Level Best Seasonal
- Level Best Gardening

The service has capacity to provide more than 230 work-skills training sessions each week across these enterprises.

ACHIEVEMENTS AND PERFORMANCE

2025 was another year of development for Level Best Enterprises, building on the move to St John's Street in 2023 and the continued growth of the enterprise model.

By the end of 2025, 192 Trainee sessions were being delivered each week, with 83% of available sessions filled during the final quarter of the year. Front of House and Kitchen sessions were particularly well utilised, at 92% and 90% respectively.

Trainee logs were introduced across the enterprises to record everyday achievements and progress. These provide a stronger basis for individual development planning and help demonstrate the range of skills Trainees develop across different activities and work environments.

Level Best Café and Front of House

The Café continued to develop as a genuine working environment where Trainees can gain practical skills and confidence.

During the year, the Café developed new catering relationships, including with Provide Community CIC, and continued to work with organisations such as the Ministry of Parenting and other local groups. The Kitchen supplied cakes to Rowhedge Rowing Club and provided catering for larger external events.

The first Venezuelan Supper Club was held during the year, attracting 37 guests and generating approximately £1,500 in food and drink sales. Three Trainees were given specific responsibilities during the event, providing an opportunity to develop practical work skills in a real customer-facing environment. Feedback from attendees was very positive.

ACHIEVEMENTS AND PERFORMANCE - Continued

The Café also hosted an 18th birthday celebration for 55 guests, demonstrating its potential as an accessible and welcoming venue for young people with additional needs and their friends.

Trainees working in Front of House continued to develop responsibilities including stock taking, processing orders and deliveries, preparing breakfasts, managing cash tips and monitoring seasonal stock.

The Café also participated in the Youth Enquiry Service homeless voucher scheme, providing meals and drinks to more than 20 people from the beginning of the scheme. The "Cuppa Kindness" initiative, developed with Colchester Food Bank, enabled customers to purchase a hot drink for someone in need.

Art and Gallery

The Art Enterprise continued to provide a wide range of opportunities for Trainees to develop creative, practical and social skills. Activities included painting, illustration, textiles, sculpture, drawing, printmaking and performance, with particular benefits in areas such as fine motor control, hand-eye coordination, patience, design and use of colour.

Trainees also benefited from visits to local galleries and cultural organisations, including Firstsite and The Minories, as well as workshops delivered by practising artists.

The Gallery remained well supported, with bookings secured through 2025 and 2026 and bookings already being taken for 2027. Trainees were involved in areas including exhibition promotion, reviewing exhibitions and curating.

There were a number of notable achievements during the year. Trainee artwork was sold to a private collector following the "Power of Many: Celebrating Collective Strength" exhibition and trainee cat inspired artwork was displayed at local cat café Brews & Whiskers.

Trainee Ben received the Firstsite Collectors Group Bursary Award and subsequently created a commercially printed colouring book. The book was stocked by Level Best, Red Lion Books, Firstsite and The Minories.

The Art Enterprise also generated more than £400 in retail income from products featuring Trainee artwork, including greetings cards, postcards and mini prints. A new stockist was established at Colchester Visitor Information Centre.

Seasonal and Gardening

The allotment continued to be productive, with fruit and vegetables being used in Level Best products. Trainees were involved in producing preserves, chutneys, pickled onions, cordials, plants and other seasonal goods.

A preserves tasting event provided an opportunity for Trainees to promote and sell products, with 40 jars sold. Products were also made available through external stockists including The Commons Café at The Minories and ColcEco shop.

The Seasonal and Gardening enterprises also supported community engagement through events including the Rice & Spice Festival, Apple Day at Firstsite and Jane's Walk from the Level Best allotment.

Gardening Trainees benefited from a visit to Fingringhoe Wick, participating in activities including pond dipping and bird watching, providing opportunities to develop knowledge, confidence and practical skills outside the usual working environment.

ACHIEVEMENTS AND PERFORMANCE - Continued

Community Engagement and Fundraising
Trainees continued to participate in Colchester Pride, community festivals, markets, exhibitions and collaborative projects throughout the year.

The Level Best Graze Evening attracted more than 30 guests and provided an opportunity to showcase Seasonal products, with Trainees involved in preparing for the event and supporting customers.

Colchester Young Farmers held two fundraising events and raised £1,500 for Level Best. Colchester Rotary Club donated more than £500 towards equipment including a fridge, commercial toaster and dehydrator. Staff member Sofia raised £735 through the London Vitality 10K.

Level Best also continued to support wider community fundraising initiatives, including activities connected with the Mayor's Charities.

These activities have helped to strengthen Level Best's community profile while providing Trainees with opportunities to develop confidence, communication and practical skills in real-life settings.

PUBLIC BENEFIT
The Trustees consider that the activities of The Dacon Trust provide clear public benefit by enabling adults and young people with learning disabilities to develop work and life skills, increase independence and confidence, participate in their local community and access meaningful, purposeful activities.

The enterprise model provides opportunities for Trainees to develop practical skills through real work environments, while also creating opportunities for social interaction, creativity, community participation and progression.

The Trustees have had due regard to the Charity Commission's guidance on public benefit in reviewing the Trust's aims and activities.

FINANCIAL REVIEW
Total income for the year increased to £548,551, compared with £480,312 in 2024.

Attendance fee income increased to £310,976 from £267,296, reflecting the continued growth in Trainee placements. Income from Café and Art sales increased to £121,563 from £106,249. Income from letting non-investment properties increased to £33,000 from £24,750, while investment income remained broadly stable at £83,012 compared with £82,017 in 2024.

Total expenditure decreased to £577,255 from £682,064 in 2024. The previous year included an exceptional £120,000 lease settlement on vacated premises, which did not recur in 2025.

The Trust recorded a deficit on unrestricted funds of £134,313 for the year, compared with a deficit of £148,984 in 2024. The Trust's investment portfolio experienced a net investment loss of £105,609 during the year, compared with a gain of £52,768 in 2024. The investments were valued at £2,111,787 at 31 December 2025.

At the year end, total unrestricted funds stood at £4,351,541, compared with £4,485,854 at the end of 2024.

The Trustees recognise that the underlying operation remains dependent on the Trust's reserves and investment income to support charitable activity. Financial sustainability will therefore remain a key strategic priority.

FINANCIAL REVIEW – Continued

Investment Policy and Performance
The Trust's investment fund, including investment properties, stood at £2,411,787 at the year end and is treated as an expendable endowment to provide income for the Trust's operations.

Investments are managed with the aim of generating income and preserving the long-term value of the Trust's assets. During 2025, the investment portfolio was valued by CCLA on an open-market basis.

The Trustees will continue to monitor investment performance and review the investment strategy as part of the Trust's longer-term financial sustainability planning.

Reserves Policy
The Trustees consider that investment reserves are necessary because income from charitable activities has historically, and is expected to continue, to be insufficient to cover the full cost of delivering the Trust's services.

There is also uncertainty around local authority attendance fee support, and the Trust does not have formal contracts with Trainees, meaning that Trainees may stop attending at any time.

The Trustees' policy is to maintain general reserves equivalent to at least 12 months' expenditure.

As at 31 December 2025, the general reserve showed a deficit of £11,602, compared with a deficit of £2,270 at the end of 2024. The Trustees recognise the importance of addressing this position and improving the underlying financial sustainability of the Trust.

Going concern
The Trustees have considered the Trust's financial position, future plans and available resources and have a fair expectation that the Trust has adequate resources to continue its activities for the foreseeable future.

The financial statements have therefore been prepared on a going concern basis.

Principal Risks and Uncertainties
The Trustees recognise that the principal risks facing the Trust include financial sustainability, funding and attendance levels, safeguarding, staffing and recruitment, property management, investment performance, data and cyber security, and the Trust's reputation.

Risk management will form an increasingly important part of the Trust's strategic oversight. The Trustees intend to develop and maintain a live risk register, strengthen reporting and ensure that appropriate controls and mitigation measures are in place.

FUTURE PLANS
Following a period of significant growth and development, the Trustees have agreed a three-year strategic direction for 2026–2029. The focus of this next phase will be to protect and strengthen the mission of Level Best Enterprises while ensuring that The Dacon Trust has the governance, financial resilience, property, investment and systems needed to support its long-term impact.

FUTURE PLANS - Continued

The Trust's strategic direction recognises that Level Best is now operating from a position of considerable strength, with its Café, Art, Gallery, Gardening, Catering and Seasonal activities well established and closely aligned with its charitable purpose. The focus will therefore increasingly move from growth and establishment towards sustainability, quality, resilience and clearer governance.

A key priority will be to develop a quality and accreditation plan, including consideration of short courses, extensions and other value-added opportunities. The Trust will also strengthen the way it records and evidences Trainee progress and outcomes.

The Independent Pathway will be developed as a flexible framework for recognising meaningful individual progression. The Trustees recognise that progression will look different for each Trainee and may include paid employment, volunteering, further learning or community participation, as well as improvements in confidence, independence, communication, relationships and practical life skills.

The Trust will seek to strengthen its evidence of impact and use this information to support funding, marketing and commissioning. Product development, particularly within Art, will continue to be explored alongside opportunities to develop sponsorship, supporter relationships and stronger partnership pathways.

Technology and digital enablement will be another strategic priority. The Trust will look at ways of reducing reliance on manual systems, improving data governance and making practical use of digital technology and AI. The aim is to reduce administrative pressure, improve consistency and strengthen the collection of evidence about Trainee progress.

The Trust will also continue to develop its people and organisational capacity, including staff development, HR support, training, retention, wellbeing and digital confidence. Ensuring that the leadership team has sufficient time and resources to focus on strategic development will be an important part of this work.

Financial resilience will remain a major priority. The Trustees will review fee and trading income, explore opportunities to reduce the underlying operating deficit and continue to monitor investment performance. The longer-term objective is to reduce reliance on investment returns to support core charitable activity while protecting the value of the Trust's assets. The reserves policy and investment position will also be reviewed.

At Trust level, the Trustees will develop a clearer property and asset strategy. This will include reviewing the management, development and potential disposal of properties where appropriate, with clear decision points and milestones. Improved financial and risk reporting will support stronger oversight of the Trust's assets.

Over the three-year period, the Trustees aim to develop a more sustainable and evidence-led operating model, with clearer Trainee pathways, stronger digital capability, more diversified income, improved oversight of property and investments, and governance arrangements that are well equipped to support the Trust's future.

The Trustees will review progress against these priorities and use the outcomes and evidence gathered to inform the next phase of strategic planning.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Dacon Trust Limited is a company limited by guarantee, registered under company number 00968662 and charity number 260380. Its registered office is 26 St Johns Street, Colchester, Essex, CO2 7HB.

The Trust is governed by its Memorandum and Articles of Association. The Trustees are also directors of the company for the purposes of company law.

The Council of Management is responsible for the overall management of the Trust's business. Duties may be delegated to employees where appropriate, but the Council retains overall responsibility and control.

The Council meets quarterly, with subcommittees also meeting quarterly.

Trustees are appointed and recruited in accordance with the Trust's governing document. During 2025, Mr A Dray was appointed as a Trustee on 11 June 2025 and Mr S King was appointed on 16 September 2025. Mr D Flynn resigned as a Trustee on 17 February 2025.

The Trustees continue to consider the skills and experience required at Board level and will seek appropriate appointments where additional skills are identified as beneficial to the Trust.

Day-to-day management of Level Best Enterprises in Colchester is the responsibility of Alison Ling, who reports to the Board.

The Trustees are considered to be the key management personnel of the charity. No Trustee received remuneration, benefits or expenses during 2025 or 2024.

There were no related party transactions during the year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Dacon Trust Limited for the purposes of company law) 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) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, TC Group, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 29/09/2026 and signed on its behalf by:

Mrs K Hyde - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE DACON TRUST LIMITED

Opinion

We have audited the financial statements of The Dacon Trust Limited (the 'charitable company') for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
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 a Report of the Independent Auditors 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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud
The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006, The Charities Act 2011, UK GAAP including Charities SORP (FRS 102)) and the relevant tax compliance regulations in the UK;
- We considered the risk of fraud through management override and in response, we incorporated testing of manual journal entries into our audit approach throughout the financial year;
- We considered the risk of fraud through assumptions and judgements used within the accounting estimates and in response, reviewed and scrutinised these estimates in order to detect possible management bias;
- We considered the risk of fraud associated with the preparation of the financial statements and in response, tested the disclosures prepared against relevant supporting documentation.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Melinda Simpson

Melinda Simpson (Senior Statutory Auditor)
for and on behalf of TC Group
Town Wall House
Balkerne Hill
Colchester
Essex
CO3 3AD

Date: 29.9.2026

THE DACON TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 Unrestricted funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities	3		
Attendance fees, cafe and art supplies		432,539	373,545
Letting of non-investment property		33,000	24,750
Investment income	2	83,012	82,017
Total		548,551	480,312
EXPENDITURE ON			
Raising funds	4	5,144	4,415
Charitable activities	5		
Attendance fees, cafe and art supplies		572,111	557,649
Other – Exceptional item	11	-	120,000
Total		577,255	682,064
Net (losses)/gains on investments		(105,609)	52,768
NET INCOME/(EXPENDITURE)		(134,313)	(148,984)
RECONCILIATION OF FUNDS			
Total funds brought forward		4,485,854	4,634,838
TOTAL FUNDS CARRIED FORWARD		4,351,541	4,485,854

CONTINUING OPERATIONS
All income and expenditure has arisen from continuing operations.

The notes form part of these financial statements

THE DACON TRUST LIMITED

BALANCE SHEET
31 DECEMBER 2025

	Notes	2025 Unrestricted funds £	2024 Total funds £
FIXED ASSETS			
Tangible assets	12	1,951,356	1,955,728
Investments			
Investments	13	2,111,787	2,232,396
Investment property	14	300,000	300,000
		4,363,143	4,488,124
CURRENT ASSETS			
Debtors	15	60,392	49,545
Cash at bank		32,403	36,649
		92,795	86,194
CREDITORS			
Amounts falling due within one year	16	(104,397)	(88,464)
NET CURRENT ASSETS		(11,602)	(2,270)
TOTAL ASSETS LESS CURRENT LIABILITIES		4,351,541	4,485,854
NET ASSETS		4,351,541	4,485,854
FUNDS	18		
Unrestricted funds		4,351,541	4,485,854
TOTAL FUNDS		4,351,541	4,485,854

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 29/09/2026 and were signed on its behalf by:

K Hyde

Mrs K Hyde - Trustee

The notes form part of these financial statements

THE DACON TRUST LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	(18,264)	(217,413)
Net cash used in operating activities		(18,264)	(217,413)
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,020)	(34,667)
Sale of fixed asset investment		15,000	141,000
Interest received		1,038	634
Net cash provided by investing activities		14,018	106,967
Change in cash and cash equivalents in the reporting period		(4,246)	(110,446)
Cash and cash equivalents at the beginning of the reporting period		36,649	147,095
Cash and cash equivalents at the end of the reporting period		32,403	36,649

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025	2024
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(134,313)	(148,984)
Adjustments for:		
Depreciation charges	6,392	8,971
Unrealised loss on investments	106,169	34,218
Realised gain on investments	(560)	(86,986)
Interest received	(1,038)	(634)
(Increase)/decrease in debtors	(10,847)	31,572
Increase/(decrease) in creditors	15,933	(55,570)
Net cash used in operations	(18,264)	(217,413)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.25	Cash flow	At 31.12.25
	£	£	£
Net cash			
Cash at bank	36,649	(4,246)	32,403
	36,649	(4,246)	32,403
Total	36,649	(4,246)	32,403

The notes form part of these financial statements

1. ACCOUNTING POLICIES

General information and basis of preparation
The Dacon Trust Limited is a company limited by guarantee established in England and Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to support the education and development of life and employment skills for adults with mild and moderate learning disabilities.

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound.

Funds
Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. All funds of the charity are unrestricted.

Significant judgements and estimates
The preparation of the financial statements requires the Council of Management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported as revenue and expenses during the year. However, the nature of estimations means that the actual outcomes could differ from these estimates. The following item is highlighted as a judgement that has had the most significant effect on amounts recognised in the financial statements and the key source of estimation uncertainty.

Revaluation of Investment Property
The company carries its Investment Property at fair value, with changes in the fair value being recognised in the SoFA. The investment properties are held at a value which, in the opinion of the trustees, reflects open market value at the balance sheet date.

Income recognition
All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from trading activities is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

1. ACCOUNTING POLICIES - continued

Income recognition
Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Expenditure recognition
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure excludes VAT and is reported as part of the expenditure to which it relates. It is categorised under the following headings:

- Costs of generating funds comprise the costs of operation and maintaining the investment income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.
- Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. The charity's support costs are allocated entirely to the Attendance activity, however where support costs relate to more than one activity, they are to be allocated on the basis of staff time and resources consumed by each activity.

Fixed assets
Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold Land & Buildings	- Nil
Tenants Improvements	- 33% On Cost
Plant, Machinery, Fixtures & Fittings	- 15% - 30% On Cost

Freehold Land & Buildings are carried at cost. Freehold property is not depreciated on the grounds that the high residual value renders any depreciation charge immaterial. This is a departure from the Companies Act 2006 in order to give a true and fair view.

Investment properties
Investment properties are measured at fair value at each reporting date with changes in fair value recognised in net gains / (losses) on investments in the SoFA.

Investments
Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in net gains / (losses) on investments in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

1. ACCOUNTING POLICIES - continued

Tax
The charity is exempt from corporation tax on its charitable activities.

The Dacon Trust has not received a similar exemption in respect of Value Added Tax. The Dacon Trust is a partially exempt organisation for VAT purposes and consequently input tax on its purchases are not fully recoverable.

Leases
Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

Employee benefits
The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Financial instruments
The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Going concern
The financial statements are prepared on a going concern basis as there are no material uncertainties that the Charity's ability to continue.

2. INVESTMENT INCOME

	2025	2024
	£	£
Income from UK investment properties	19,435	18,720
Income from UK listed investments	62,539	62,663
Deposit account interest	1,038	634
	83,012	82,017

3. INCOME FROM CHARITABLE ACTIVITIES

	2025	2024
	£	£
Attendance fees	310,976	267,296
Café and art sales	121,563	106,249
Letting of non-investment properties	33,000	24,750
	465,539	398,295

4. RAISING FUNDS

Investment management costs

	2025	2024
	£	£
Letting agent fees	5,144	4,415

5. CHARITABLE ACTIVITIES COSTS

	2025	2024
	£	£
Wages and salaries	360,297	321,888
Employer's national insurance	30,838	23,508
Pensions	17,515	16,222
Rent, rates and water	3,620	21,239
Insurance	12,852	11,598
Light and heat	11,716	17,160
Advertising	13,457	15,396
Sundries	9,267	12,278
Repairs and other expenses	9,254	6,731
Motor and travel costs	2,048	2,493
Purchases	53,984	52,775
Staff training	1,632	1,731
Cleaning	12,452	12,559
Telephone and internet	2,095	2,452
Depreciation of tangible fixed assets	6,392	8,971
Support costs (see note 6)	24,692	30,648
	572,111	557,649

6. SUPPORT COSTS

	2025	2024
	£	£
Accountancy and other non-audit fees	12,233	10,918
Audit fees	8,320	7,924
Legal and professional fees	4,139	11,806
	24,692	30,648

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation - owned assets	6,392	8,971
Auditors' remuneration - audit of the financial statements	7,926	7,558
Auditors' remuneration - over/under accrual	394	366
Accountancy and other non-audit services	12,233	10,918
Operating leases - rent	-	10,500

8. TRUSTEES' REMUNERATION AND BENEFITS

The trustees are deemed to be the key management personnel of the charity. There were no trustees' remuneration or other benefits for the year ended 31 December 2025 or for the year ended 31 December 2024.

Trustees' expenses

There were no trustees' expenses paid for year ended 31 December 2025 or for the year ending 31 December 2024.

9. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	360,297	321,888
Social security costs	30,838	23,508
Other pension costs	17,515	16,222
	408,650	361,618

The average monthly number of employees during the year was as follows:

	2025	2024
Full time equivalents	14	13

No employees received emoluments in excess of £60,000.

10. TAXATION

No Corporation tax has been provided based on the Company's charitable status.

11. EXCEPTIONAL ITEMS

During the year ended 31 December 2024, the charity paid a settlement to the landlord of £120,000 in surrendering the lease at the property D'Arcy House.

12. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Plant & machinery & Fixtures & Fittings £	Totals £
COST			
At 1 January 2025	1,961,011	148,895	2,109,906
Additions	-	2,020	2,020
Disposals	-	(544)	(544)
At 31 December 2025	1,961,011	150,371	2,111,382
DEPRECIATION			
At 1 January 2025	27,200	126,978	154,178
Charge for year	-	6,392	6,392
Eliminated on disposal	-	(544)	(544)
At 31 December 2025	27,200	132,826	160,026
NET BOOK VALUE			
At 31 December 2025	1,933,811	17,545	1,951,356
At 31 December 2024	1,933,811	21,917	1,955,728

The market value of the freehold land and buildings, in the opinion of the trustees, is in excess of the carrying value in the accounts.

The freehold property relates to land and buildings known as Fitzwalter House, Great Tey and St John's Street Building, Colchester. Part of the property at Fitzwalter House, is let to Mencap to provide accommodation for learning disabled adult residents and the rest of the land is used by the Trust. As it is not possible to determine any investment component reliably it is deemed appropriate to disclose the whole of the property known as Fitzwalter House as Freehold land and buildings.

13. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2025	2,232,396
Disposals	(15,000)
Revaluations	(105,609)
At 31 December 2025	2,111,787
NET BOOK VALUE	
At 31 December 2025	2,111,787
At 31 December 2024	2,232,396

The above market value of fixed asset investments contains base cost of £851,728 (2024: £857,273) and accumulated revaluation gains of £1,260,059 (2024: £1,375,123).

The fixed asset investments were valued on an open market basis on the 31 December 2025 by Churches, Charities and Local Authorities (CCLA) Investment Management Limited. None of these investments were held outside of the United Kingdom.

14. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2025 and 31 December 2025	300,000
NET BOOK VALUE	
At 31 December 2025	300,000
At 31 December 2024	300,000

The investment properties are held at a value which, in the opinion of the trustees, reflects open market value at the balance sheet date.

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade debtors	13,973	10,399
Other debtors	-	5,078
Prepayments and accrued income	46,419	34,068
	60,392	49,545

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade creditors	4,724	5,204
Other taxes and social security	11,329	5,850
Other creditors	66,183	61,219
Accruals and deferred income	22,161	16,191
	104,397	88,464

Deferred income relates to attendance fees received in advance of service provided. The movement on deferred income during the year ended 31 December 2025 is as follows:

	Unrestricted	Total
As at 1 January 2025	1,050	1,050
Additions during the year	2,415	2,415
Amounts released to income	(1,050)	(1,050)
As at 31 December 2025	2,415	2,415

17. LEASING AGREEMENTS

LESSOR AGREEMENTS

	2025	2024
	£	£
Within one year	33,000	33,000
Between one and five years	132,000	132,000
In more than five years	-	33,000
	165,000	198,000

The above agreement relates to the lease of Fitzwalter House to Mencap.

18. MOVEMENT IN FUNDS

	At 1.1.25 £	Net movement in funds £	Transfers between funds £	At 31.12.25 £
Unrestricted funds				
General fund	(2,270)	(22,312)	12,980	(11,602)
Fixed Asset Fund	1,955,728	(6,392)	2,020	1,951,356
Investment Fund	2,532,396	(105,609)	(15,000)	2,411,787
	4,485,854	(134,313)	-	4,351,541
TOTAL FUNDS	4,485,854	(134,313)	-	4,351,541

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	548,551	(570,863)	-	(22,312)
Fixed Asset Fund	-	(6,392)	-	(6,392)
Investment Fund	-	-	(105,609)	(105,609)
	548,551	(577,255)	(105,609)	(134,313)
TOTAL FUNDS	548,551	(577,255)	(105,609)	(134,313)

Comparatives for movement in funds

	At 1.1.24 £	Net movement in funds £	Transfers between funds £	At 31.12.24 £
Unrestricted funds				
General fund	84,178	(192,781)	106,333	(2,270)
Fixed Asset Fund	1,930,032	(8,971)	34,667	1,955,728
Investment Fund	2,620,628	52,768	(141,000)	2,532,396
	4,634,838	(148,984)	-	4,485,854
TOTAL FUNDS	4,634,838	(148,984)	-	4,485,854

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	480,312	(673,093)	-	(192,781)
Fixed Asset Fund	-	(8,971)	-	(8,971)
Investment Fund	-	-	52,768	52,768
	480,312	(682,064)	52,768	(148,984)
TOTAL FUNDS	480,312	(682,064)	52,768	(148,984)

1. The General Fund represents the accumulated surpluses of the Charity and is available for the general purposes of the Charity.

2. The Fixed Asset Fund represents the value invested in Tangible Fixed Assets less accumulated depreciation.

3. The Investment Fund represents the value invested in the fixed asset investments and is available to provide reserves to assist the Charity in carrying out its objective.

19. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The pension costs charged to the Statement of Financial Activity represent contributions payable by the charity to the fund and amounted to £17,515 (2024: £16,222).

At the year end, pension contributions outstanding totalled £2,638 (2024: £Nil).

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2025.

21. COMPANY LIMITED BY GUARANTEE

The charity is a company limited by guarantee. The trustees are named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £50 per member of the charity.

THE DACON TRUST LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 £	2024 £
INCOME AND ENDOWMENTS		
Investment income		
Income from UK investment properties	19,435	18,720
Income from UK listed investments	62,539	62,663
Deposit account interest	1,038	634
	83,012	82,017
Charitable activities		
Letting of non-investment properties	33,000	24,750
Attendance fees	310,976	267,296
Cafe and art sales	121,563	106,249
	465,539	398,295
Total incoming resources	548,551	480,312
EXPENDITURE		
Investment management costs		
Letting agent fees	5,144	4,415
Charitable activities		
Wages and salaries	360,297	321,888
Employer's national insurance	30,838	23,508
Pensions	17,515	16,222
Rent, rates and water	3,620	21,239
Insurance	12,852	11,598
Light and heat	11,716	17,160
Advertising	13,457	15,396
Sundries	9,267	12,278
Repairs and other expenses	9,254	6,731
Motor and travel costs	2,048	2,493
Purchases	53,984	52,775
Staff Training	1,632	1,731
Cleaning	12,452	12,559
Telephone and internet	2,095	2,452
Depreciation of tangible fixed assets	6,392	8,971
	547,419	527,001

THE DACON TRUST LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 £	2024 £
Other		
Exceptional items – Surrender of lease	-	120,000
Support/Governance costs		
Accountancy fees	12,233	10,918
Audit fees	8,320	7,924
Legal and professional fees	4,139	11,806
	24,692	30,648
Total resources expended	577,255	682,064
Net expenditure before gains and losses	(28,704)	(201,752)
Gains and losses on investments		
Realised gains on fixed asset investments	560	86,986
Unrealised losses on fixed asset investments	(106,169)	(34,218)
Net expenditure	(134,313)	(148,984)