

The Cayzer Trust Company Limited

Directors' Report and Financial Statements

Year ended 31 March 2024

The Cayzer Trust Company Limited

Directors' Report

Directors

The Hon. Charles Cayzer (Chairman)
James M B Cayzer-Colvin (Deputy Chairman)
The Hon. Mrs Gilmour
William P Wyatt
Roseanna N Leslie
Dominic V Gibbs
Sonia C Barry
Graeme P Denison
William P L Lawes

Secretary

Sonia C Barry

Registered office

Cayzer House
30 Buckingham Gate
London
SW1E 6NN

The directors present their report and the audited financial statements for the year to 31 March 2024.

Results and dividend

The result for the year ended 31 March 2024, after taxation, amounted to a profit of £16.7m (2023 - £44.5m). An interim dividend of 3.4p per ordinary share was paid on 7 June 2024 (2023 - 3.25p). A final dividend of 6.7p per ordinary share is likely to be proposed at the Company's AGM (2023 - 6.45p).

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report, the Strategic Report, and the financial statements in accordance with applicable law and regulations.

Company law requires directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable to the UK and Republic of Ireland. Under company law the directors 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 Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Cayzer Trust Company Limited

Directors' Report (continued)

Directors and their interests

The directors of the Company are listed above and all of the directors served throughout the year, unless otherwise stated. In accordance with the articles of association, The Hon. Charles Cayzer and Mr Graeme Denison retired by rotation and, being eligible, offered themselves for re-election and were re-elected in December 2023. Mr William Lawes was appointed a director of the Company on 18 January 2023 and was elected in December 2023.

The Hon. Mrs Gilmour, Mr William Wyatt, and Mr Dominic Gibbs retire from the Company's board by rotation at the Company's forthcoming Annual General Meeting and, being eligible, will offer themselves for re-election.

The interests of the directors and their families in the ordinary 1p shares of the Company at 31 March 2024 are shown below.

	Beneficial	Non-beneficial
The Hon. Charles Cayzer	3,796,519	1,370,823*
James M B Cayzer-Colvin	15,212,820**	1,051,646*
The Hon. Mrs Gilmour	6,093,942** ^	12,187,654*
Roseanna N Leslie	16,747,997	1,982,337*
William P Wyatt	21,942,065***	2,833,017*
Sonia C Barry	29,054**	13,256,484*
Graeme P Denison	NIL	NIL
Dominic V Gibbs	29,054**	46,625,263*
William P L Lawes	NIL	NIL

* Includes interests held by other directors arising through co-trusteeships

** Includes interests arising through a co-directorship of The Cayzer Family Archive

*** The beneficial interests of William P Wyatt include 17,609,202 Cayzer Trust shares owned by the Dunchurch Lodge Stud Company, a company controlled by Mr Wyatt and certain of his connected persons.

^ The beneficial interests of The Hon. Mrs Gilmour exclude 314,065 Cayzer Trust Shares owned by August Holdings Limited, a company in which The Hon. Mrs Gilmour holds a beneficial interest.

Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Re-appointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for the re-appointment of Saffery LLP as auditor of the Company.

This report was approved by the Board and signed on its behalf:



S C Barry

Director

Date: 16 July 2024

The Cayzer Trust Company Limited

Strategic Report

The directors present the Strategic Report for The Cayzer Trust Company Limited for the year ended 31 March 2024.

Principal activity

The principal activity of the Company during the year continued to be that of an investment holding company, and this is intended to continue for the foreseeable future.

Business review

As noted in the Directors' Report, the result for the year ended 31 March 2024, after taxation, amounted to a profit of £16.7m (2023 - £44.5m). Dividends received from Caledonia Investments Plc ("Caledonia"), an approved investment trust, contributed income of £13.1m (2023 - £46.4m, including a special dividend of £33.8m). During the year, the Company paid ordinary dividends of £12.2m (2023 - £11.7m, plus special dividends paid of £31.6m).

The result for the year also includes an unrealised gain of £2.3m (2023 - loss of £3.1m) on the fair value of investments at the year-end. These revaluation movements reflect the difficulty of taking snapshots such as these in periods of market volatility and rapidly fluctuating valuations.

At 31 March 2024, the Company's principal investment was a 35.42% (2023 - 35.29%) interest in Caledonia. The market value of the holding at 31 March 2024 was £634.4m (2023 - £654.0m).

Employee, community, and social issues

The Company encourages its employees to develop their professional skills, and invests in appropriate training and study support in the context of agreed programmes of professional development.

During the year political contributions of £61,375 (2023 - £60,000) were made to the Conservative Party. The Company also made charitable donations during the year amounting to £36,000 (2023 - £56,366), including donations of £24,000 (2023 - £33,801) to The Cayzer Family Archive.

Investment activity and future developments

The Directors propose to continue to maintain the Company's strategic stake in Caledonia for the long term. During the year the Company's interest in Caledonia increased slightly in percentage terms due to the purchase by the Company of 48,900 shares, which were matched against sales by other member of the Cayzer Family Concert Party, and also as a result of a small number of buybacks by Caledonia.

In general terms, the Takeover Panel considers all descendants of Sir Charles Cayzer, 1st Baronet, their close relatives, and Caledonia's Employee Share Trust to be acting "in concert", and the Concert Party is defined accordingly. The City Code on Takeovers and Mergers imposes very substantial restrictions on members of the Cayzer Family Concert Party who wish to purchase shares in Caledonia. Caledonia's ability to make share buybacks is limited under the Takeover Code, and the Cayzer Concert Party is restricted in practice to a 49.5% holding.

In addition to the strategic holding in Caledonia, the Company continues to maintain a separate non-core portfolio. These investments are made both directly by the Company, and indirectly through externally-managed funds. The majority of these holdings are highly liquid, and alongside equities include fixed income securities and other investments having absolute return characteristics.

Principal risks and uncertainties

As noted above, the directors propose that the Company should continue to hold the stake in Caledonia for the long term. In consequence, the Company's financial position will for the foreseeable future remain closely linked to that of its principal investment, such that its risks and prospects will substantially mirror those of Caledonia.

The principal risks and uncertainties pertaining to Caledonia are disclosed on pages 60-61 of its published report and accounts for the year ended 31 March 2024, which have been filed with the Registrar of Companies. A copy is also available on Caledonia's website at www.caledonia.com. Caledonia reported a positive NAV total return of 7.4% (2023 - 5.5%) despite significant market turmoil, and the Company's directors continue to be satisfied with its performance.

Any other potential market and investment risks on the investment portfolio separate from Caledonia around market movements are regularly reviewed and have been mitigated by spreading the investments across various asset classes, including fixed income and absolute return investments.

The Cayzer Trust Company Limited Strategic Report (continued)

Going concern

The Company's business activities, together with factors likely to affect its future development, financial position, and financial risk management objectives have been described above.

The Company has no external borrowings and considerable financial resources very significantly in excess of its liabilities. As a consequence, the directors believe the Company is well placed to manage its business risks. After considering the matter, the directors have concluded that the Company has ample resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the Company's financial statements.

This report was approved by the Board and signed on its behalf:

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke ending in a hook.

S C Barry

Director

Date: 16 July 2024

Independent Auditor's Report to the Members of The Cayzer Trust Company Limited

Opinion

We have audited the financial statements of The Cayzer Trust Company Limited (the 'company') for the year ended 31 March 2024 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cashflows, the Statement of Changes in Equity, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, "the Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 March 2024 and of its profit 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 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 directors' 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 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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 course of 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of The Cayzer Trust Company Limited (continued)

Auditor's 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 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006, and UK Tax legislation.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Strong (Senior statutory auditor)

for and on behalf of Saffery LLP
Chartered Accountants
Statutory Auditors

St Catherine's Court, Berkeley Place, Clifton, Bristol BS8 1BQ

Date: **22 July 2024**

The Cayzer Trust Company Limited
Statement of Comprehensive Income
For the year ended 31 March 2024

	Note	2024 £	2023 £
Income from investments	2	14,150,628	47,485,743
Interest received		1,394,239	755,292
Fee and other income		359,605	340,348
Administrative expenses	3	(1,455,909)	(1,356,964)
Operating profit		14,448,563	47,224,419
(Losses) / gains on investment disposals	10(c)	(55,976)	447,197
Net gains / (losses) on financial investments at fair value	10(c)	2,329,889	(3,135,657)
Profit on ordinary activities before taxation		16,722,476	44,535,959
Tax on profit on ordinary activities	6	—	—
Profit on ordinary activities after taxation		16,722,476	44,535,959
Other comprehensive income		—	—
Total comprehensive income for the year		16,722,476	44,535,959

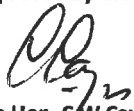
All items in the above statement derive from continuing operations.

The notes on pages 11 to 19 form an integral part of these financial statements.

The Cayzer Trust Company Limited
Statement of Financial Position
At 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	8	69,320	68,000
Intangible assets	9	1,928	—
Investments	10	295,679,823	290,013,331
Receivables	11	2,500,000	2,528,491
		<u>298,251,071</u>	<u>292,609,822</u>
Current assets			
Receivables	11	1,125,907	824,067
Cash and cash equivalents	12	12,470,180	13,412,015
		<u>13,596,087</u>	<u>14,236,082</u>
Creditors			
Amounts falling due within one year	13	(627,912)	(125,961)
		<u>12,968,175</u>	<u>14,110,121</u>
Net current assets			
		<u>311,219,246</u>	<u>306,719,943</u>
Total assets less current liabilities			
		<u>311,219,246</u>	<u>306,719,943</u>
Provisions - greater than one year	14	(149,910)	(121,878)
		<u>311,069,336</u>	<u>306,598,065</u>
Net assets			
		<u>311,069,336</u>	<u>306,598,065</u>
Capital and reserves			
Called up share capital	15	1,263,011	1,263,011
Profit and loss account		309,806,325	305,335,054
		<u>311,069,336</u>	<u>306,598,065</u>
Shareholders' funds			
		<u>311,069,336</u>	<u>306,598,065</u>

Approved by the Board of The Cayzer Trust Company Limited, Registered number 4987694, and signed on its behalf by:



The Hon. CW Cayzer
 Director



S C Barry
 Director

Date: 16 July 2024

The notes on pages 11 to 19 form an integral part of these financial statements.

The Cayzer Trust Company Limited
Statement of Changes in Equity
For the year ended 31 March 2024

	Note		Investment fair value	Profit and Loss Account	Total	
		Called up share capital	gains / (losses)	Other profits	P&L account	Total equity
		£	£	£	£	£
Total equity as at 31 March 2022		1,263,011	8,605,512	295,514,855	304,120,367	305,383,378
Profit from ordinary activities		—	(3,135,657)	47,671,616	44,535,959	44,535,959
Dividends paid during the year	7	—	—	(43,321,272)	(43,321,272)	(43,321,272)
Total equity as at 31 March 2023		1,263,011	5,469,855	299,865,199	305,335,054	306,598,065
Profit from ordinary activities		—	2,329,889	14,392,587	16,722,476	16,722,476
Dividends paid during the year	7	—	—	(12,251,205)	(12,251,205)	(12,251,205)
Total equity as at 31 March 2024		1,263,011	7,799,744	302,006,581	309,806,325	311,069,336

The notes on pages 11 to 19 form an integral part of these financial statements.

The Cayzer Trust Company Limited
Statement of Cashflows
For the year ended 31 March 2024

	Note	2024 £	2023 £
Operating activities			
Dividends received		14,058,938	47,277,200
Interest received		1,332,565	704,462
Other investment income received		110,611	143,844
Fees and other income received		301,825	238,748
Administrative expenses		(920,384)	(1,302,025)
Net cash inflow from operating activities	16	14,883,555	47,062,229
Investing activities			
Purchase of fixed asset investments		(4,912,560)	(8,647,910)
Proceeds from disposal of fixed asset investments		1,341,623	7,850,046
Purchase of tangible fixed assets		(1,320)	(8,937)
Purchase of intangible fixed assets		(1,928)	—
Net cash (outflow) from investing activities		(3,574,185)	(806,801)
Financing activities			
Equity dividends paid	7	(12,251,205)	(43,321,272)
(Decrease) / increase in cash and cash equivalents		(941,835)	2,934,156
Cash and cash equivalents as at 1 April		13,412,015	10,477,859
Cash and cash equivalents as at 31 March	12	12,470,180	13,412,015

The notes on pages 11 to 19 form an integral part of these financial statements.

The Cayzer Trust Company Limited

Notes to the Financial Statements

1. Accounting policies

Accounting convention

The Cayzer Trust Company Limited ("the Company") is a private limited company incorporated in England.

The registered office is situated at Cayzer House, 30 Buckingham Gate, London, SW1E 6NN.

The financial statements are prepared in compliance with FRS 102 and are presented in Sterling.

The Company is exempt from the requirement to prepare consolidated financial statements under section 405(2) of the Companies Act 2006, as the Company's subsidiary undertakings, taken together, are not material for the purpose of giving a true and fair view of the state of affairs of the Company. All subsidiary and associated undertakings are companies and are referred to as companies throughout these financial statements.

Foreign exchange

Transactions denominated in foreign currencies are translated into Sterling and recorded at the rate of exchange ruling at the date of the transaction. Balances at the year-end denominated in a foreign currency are translated into Sterling at the rate of exchange ruling at the year-end date.

Income and expenses

Dividend income is recognised when the right to receive payment is established, normally the ex-dividend date. Interest income, fee income, and all expenses are recognised on an accruals basis.

Financial assets and liabilities

Financial assets (other than investments) and financial liabilities (typically trade payables) are initially measured at transaction price and subsequently held at amortised cost.

Investments

Equity investments are recognised initially at fair value which is normally the cash paid to acquire the shares. Subsequently they are measured at fair value through profit and loss based on quoted prices except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably which are recognised at cost less impairment until a reliable measure of fair value becomes available. Note 10 discloses the market value of listed investments at the Statement of Financial Position date. For unlisted investments note 10 discloses market value, where available, or the directors' valuation based on dealing prices, stockbrokers' valuations, net asset values, or other information as appropriate.

Investments in associates

Investments in associates where the Company has significant influence are valued at cost less any provision for impairment.

Depreciation of tangible fixed assets

The provision for depreciation is calculated to write off the cost of each asset over its estimated useful life. Software is depreciated at 25% of cost on a straight line basis. No depreciation is provided on artefacts / paintings as their values are not expected to decrease.

Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated at 10% of cost on a straight line basis, to reflect the estimated useful life of intangible assets of 10 years. As the intangible assets were only acquired close to the year-end, amortisation will be charged from 1 April 2024.

Taxation

United Kingdom corporation tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. A net deferred tax asset is only regarded as recoverable and recognised when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities are not discounted.

The Cayzer Trust Company Limited

Notes to the Financial Statements (continued)

1. Accounting policies (continued)

Pension benefits

The Company participates in a multi-employer pension scheme which requires contributions to be made to a separately administered fund. Contributions to this fund are charged in the Statement of Comprehensive Income.

Provisions

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Employee deferred compensation provisions reflect the present value of the liability adjusted for the probability the employee will meet the qualifying conditions.

Going concern

The directors have assessed the Company's financial position, activities, and factors likely to affect its future performance. The Company has a high level of liquidity, a lack of external borrowings, and a strong net asset position and the directors believe the Company is well-placed to manage its business risks. The directors have concluded that the Company has ample resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. Accordingly they continue to adopt the going concern basis in preparing the Company's financial statements.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term.

Capital and reserves

Called up share capital represents the nominal value of the shares issued. The profit and loss account represents cumulative retained earnings less amounts distributed to shareholders.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no accounting estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the current or previous year.

2. Income from investments	2024	2023
	£	£
Dividends from equity shares:		
<i>Listed</i> : Caledonia Investments plc	13,143,888	46,398,135
Other listed	827,033	895,370
	13,970,921	47,293,505
<i>Unlisted</i> :	69,096	69,096
	14,040,017	47,362,601
Property and other income	110,611	123,142
Total income from investments	14,150,628	47,485,743
3. Administrative expenses	2024	2023
	£	£
Staff and operating costs	(843,177)	(722,046)
Audit fees	(15,000)	(14,450)
Charitable donations	(36,000)	(56,366)
Economic Crime Levy	(10,000)	(36,000)
Other expenses	(551,732)	(528,102)
Total administrative expenses	(1,455,909)	(1,356,964)

The Cayzer Trust Company Limited

Notes to the Financial Statements (continued)

4. Staff costs	2024	2023
	£	£
Salaries, bonuses, and directors' fees	(632,772)	(547,194)
Social security costs	(70,764)	(62,640)
Pension costs	(60,744)	(51,126)
Temporary staff and recruitment fees	(20,000)	(13,685)
Employee deferred compensation provision	(28,032)	(26,753)
Other employee costs	(30,865)	(20,648)
Total staff costs	(843,177)	(722,046)

The average number of employees during the year was 6 (2023 - 5).

No obligation to pay the employee deferred compensation scheme will arise, if at all, until 2026. This provision is shown as a non-current liability in the financial statements.

5. Directors' remuneration

The total directors' emoluments, being fees paid to both executive and non-executive directors during the year, amounted to £393,700 (2023 - £339,557).

The emoluments of the highest paid director during the year, including pension payments, amounted to £207,486 (2023 - £190,630).

6. Taxation	2024	2023
	£	£
Tax charged to the profit and loss account		
<i>Based on the profit for the year</i>		
Corporation tax at 25%	—	—

The Company is considered to be a close company as defined in the Corporation Tax Act 2010.

Factors affecting the tax charge for year

	2024	2023
	£	£
Profit on ordinary activities before taxation	16,722,476	44,535,959
Profit on ordinary activities at the main rate of corporation tax in the UK of 25%	4,180,619	8,461,832
<i>Effects of</i>		
Non-taxable dividend income on investments	(3,510,004)	(8,998,894)
Expenses not deductible for tax purposes	77,781	70,194
Unrelieved / (utilised) tax losses	(190,680)	6,227
Short term timing difference	7,008	5,083
Difference between accounting and tax on sale of investments	(17,364)	(103,245)
Unrealised losses / (gains) on financial investments	(582,472)	595,775
Other taxable interest adjustments	35,112	(36,972)
Tax charged to the profit and loss account	—	—

The Cayzer Trust Company Limited

Notes to the Financial Statements (continued)

6. Taxation (continued)

Deferred taxation

The Company has a total unrecognised deferred tax asset of £12,145,151 (2023 - £12,335,831) including £11,834,179 (2023 - £11,802,821) in relation to capital losses and £310,972 (2023 - £533,010) in relation to excess management expenses. Management is of the opinion that it is too uncertain that the Company will generate sufficient future taxable income within the period of reliable forecasting to utilise these losses, such that no deferred tax asset has been recognised.

At the balance sheet date there is an unrecognised deferred tax liability of £1,820,290 (2023 - £1,276,798), which relates to the Company's potential gain on disposal of the investments held at fair value, prior to utilisation of tax losses. A potential liability for taxation of £117,288,920 (2023 - £122,599,884) would arise on a disposal of the Company's investments held at cost prior to the utilisation of capital losses.

The above figures have been calculated using the current main corporate tax rate of 25%.

7. Dividends	2024	2023
	£	£
Ordinary dividends in respect of profits of the year ended:		
<i>31 March 2022</i>		3,915,334
		7,830,667
<i>31 March 2023</i>		31,575,271
<i>31 March 2023</i>	4,104,785	
	8,146,420	
	<u>12,251,205</u>	<u>43,321,272</u>

An interim dividend of 3.4p in respect of the year ended 31 March 2024 was declared in May 2024 to be payable on 7 June 2024. A final dividend of 6.7p will be proposed by the directors for approval at the Annual General Meeting in December 2024.

8. Tangible fixed assets	Software	Artefacts	Total
	£	£	£
<i>Cost</i>			
Opening balance 1 April 2023	18,577	68,000	86,577
Additions	—	1,320	1,320
Disposals	—	—	—
Closing balance 31 March 2024	<u>18,577</u>	<u>69,320</u>	<u>87,897</u>
<i>Depreciation</i>			
Opening balance depreciation 1 April 2023	18,577	—	18,577
Closing balance depreciation 31 March 2024	<u>18,577</u>	<u>—</u>	<u>18,577</u>
<i>Opening net book value 1 April 2023</i>	—	68,000	68,000
<i>Closing net book value 31 March 2024</i>	<u>—</u>	<u>69,320</u>	<u>69,320</u>

The Cayzer Trust Company Limited

Notes to the Financial Statements (continued)

9. Intangible fixed assets	Total £
<i>Trade Marks</i>	
Additions at cost	1,928
<i>Closing net book value 31 March 2024</i>	1,928

10. Investments	2024 £	2023 £
Investments in subsidiaries (a)	16	16
Investments in associates (b)	227,980,483	226,319,867
Other fixed asset investments (c)	67,699,324	63,693,448
	<u>295,679,823</u>	<u>290,013,331</u>

(a) Subsidiaries

Name	Country	Holding	Proportion of shares held
<i>Subsidiaries</i>			
Cayzer Limited	England	Ordinary	100%
Cayzer Development Capital Limited	England	Ordinary	100%
Cayzer Finance Limited	England	Ordinary	100%
Cayzer Holdings Limited	England	Ordinary	100%
Cayzer Investment Management Limited	England	Ordinary	100%
Cayzer Investments Limited	England	Ordinary	100%
Cayzer and Partners Limited	England	Ordinary	100%
Cayzer Property Development Limited	England	Ordinary	100%
Cayzer Property Investments Limited	England	Ordinary	100%
Cayzer Property Management Limited	England	Ordinary	100%
The Clan Line Steamers Limited	Scotland	Ordinary	100%

All of the subsidiary companies are dormant companies.

The Cayzer Trust Company Limited

Notes to the Financial Statements (continued)

10. Investments (continued)

(b) Associates (Valued at cost)

The cost of associated companies are as follows:

	Caledonia Investments £	Crewkerne Investments £	Total £
Opening cost as at 1 April 2022	225,224,689	1,095,178	226,319,867
Additions	—	—	—
Disposals	—	—	—
As at 31 March 2023	225,224,689	1,095,178	226,319,867
Additions	1,660,616	—	1,660,616
Disposals	—	—	—
As at 31 March 2024	226,885,305	1,095,178	227,980,483

Associates	Activity:			
Caledonia Investments plc	Investment Trust	England	Ordinary	35.42%
Crewkerne Investments Limited	Investment	England	Ordinary	49.50%

The following additional information is taken from the audited accounts of the Company's associates as at 31 March 2024.

	Caledonia Investments £ m	Crewkerne Investments £ m	Total £ m
Revenue	233.8	0.1	233.9
Profit before tax	201.4	0.1	201.5
Taxation	2.4	0.0	2.4
Profit after tax	203.8	0.1	203.9
Non-current assets	2,743.5	1.8	2,745.3
Current assets	255.4	0.4	255.8
Current liabilities	(27.5)	0.0	(27.5)
Non-current liabilities	(6.1)	0.0	(6.1)
Net assets	2,965.3	2.2	2,967.5
Non-equity share capital	0.0	(0.2)	(0.2)
Minority interests	0.0	0.0	0.0
Shareholders' funds	2,965.3	2.0	2,967.3

(c) Other fixed asset investments (valued at fair value)

	Listed £	Unlisted £	Total £
As at 31 March 2022	60,505,940	5,096,831	65,602,771
Additions	8,651,605	—	8,651,605
Disposals	(7,741,620)	(130,848)	(7,872,468)
Realised gains on disposal	316,349	130,848	447,197
Unrealised losses	(2,417,263)	(718,394)	(3,135,657)
As at 31 March 2023	59,315,011	4,378,437	63,693,448
Additions	1,851,945	1,400,000	3,251,945
Disposals	(1,519,982)	—	(1,519,982)
Realised losses on disposal	(55,976)	—	(55,976)
Unrealised gains	1,510,885	819,004	2,329,889
As at 31 March 2024	61,101,883	6,597,441	67,699,324

The carrying value of these other fixed asset investments (recorded above at fair value) is £59,899,579 (2023 - £58,223,592).

The Cayzer Trust Company Limited

Notes to the Financial Statements (continued)

11. Receivables	2024	2023
	£	£
<i>Due within one year</i>		
Trade debtors (see note 18)	152,880	100
Sundry debtors, prepayments, and accrued fee income	393,548	476,238
Accrued investment and interest income	372,630	338,379
Proceeds receivable from investment disposals	206,849	—
VAT receivable	—	9,350
Total current receivables	1,125,907	824,067

<i>Due after one year</i>		
Deferred consideration on investment sales	—	28,491
Loan notes	2,500,000	2,500,000
Total long-term receivables	2,500,000	2,528,491

The loan notes held were renegotiated in the period for an additional five year term (now due 2033) with a revised interest rate of 10.0% (previously 7.5%), payable annually.

12. Cash and cash equivalents	2024	2023
	£	£
Cash at bank and in hand	2,406,173	5,150,439
Short-term deposits	10,000,000	8,000,000
Cash within bond portfolio	64,007	261,576
Total cash and cash equivalents	12,470,180	13,412,015

Cash and cash equivalents comprise cash at banks, in capital investment portfolios, in hand and short term deposits of an original term of no more than five months, with a maturity date of three months or less from the balance sheet date.

13. Creditors	2024	2023
	£	£
Amounts falling due within one year:		
Due to subsidiary companies	14	14
Trade creditors	42,072	34,062
Consideration payable for investment purchases	400,053	—
PAYE & NIC	22,117	16,205
Accruals	146,159	75,680
VAT	17,497	—
	627,912	125,961

14. Provisions	2024	2023
	£	£
Employee deferred compensation provision at start of year	121,878	95,125
Increase during the year	28,032	26,753
Employee deferred compensation provision at end of year	149,910	121,878

15. Share capital	2024	2023
	£	£
<i>Authorised</i>		
41,952,898,558 ordinary shares of 1p each	419,528,986	419,528,986
<i>Allotted, issued and fully paid</i>		
126,301,085 ordinary shares of 1p each	1,263,011	1,263,011

The Cayzer Trust Company Limited

Notes to the Financial Statements (continued)

16. Reconciliation of operating profit to net cash from operating activities

	2024 £	2023 £
Operating profit	14,448,563	47,224,419
Add back non-cash expenditure	—	9,301
(Decrease) / increase in investment accruals	27,424	(65,514)
Increase in interest accruals	(61,675)	(50,830)
Increase in debtors	(60,740)	(119,376)
Increase in long-term provision	28,032	26,753
Increase in creditors	501,951	37,476
Net cash inflow from operating activities	<u>14,883,555</u>	<u>47,062,229</u>

17. Financial instruments

	2024 £	2023 £
Financial assets measured at fair value through Profit or Loss	<u>67,699,324</u>	<u>63,693,448</u>
Financial assets measured at amortised cost	<u>16,050,330</u>	<u>16,722,552</u>
Financial liabilities measured at amortised cost	<u>(627,912)</u>	<u>(125,961)</u>

The company's financial instruments measured at fair value through profit or loss include listed and unlisted investments held at fair value. The company's financial instruments measured at amortised cost include trade and sundry debtors (excluding prepayments), accrued income, loan notes, trade and sundry payables, accrued expenses, and cash and cash equivalents. Employee deferred compensation provisions are excluded from financial liabilities.

18. Related party transactions

Transactions with related parties not disclosed elsewhere in the Directors' Report or financial statements are described below:

The Company held 35.42% of the issued share capital of Caledonia Investments plc at 31 March 2024 (2023 - 35.29%).

Caledonia Group Services Limited and Buckingham Gate Limited, both wholly owned subsidiaries of Caledonia Investments plc, were due fees of £123,114 for the year ending 31 March 2024 (2023 - £113,062) for the provision and servicing of the Company premises. Total administration fees of £7,300 for the year ending 31 March 2024 (2023 - £7,125), were accrued to Caledonia Group Services Limited at year end.

Net dividends received and receivable during the year from associated companies amounted to £13,143,888 (2023 - £46,398,135).

Management fees of £150,000 including VAT (2023 - £120,000) were payable by Caytrust Finance Company Limited, which has four common directorships with the Company. These fees were invoiced before the year end in the current year, and included in trade debtors, but were accrued at the year end for 2023, and included in accrued income.

Donations of £24,000 (2023 - £33,801) were made and administration fees of £5,200 (2023 - £5,525) were accrued to The Cayzer Family Archive, a Charity registered with the Charity Commission for England and Wales, which shares four common directorships with the Company.

Mr DV Gibbs is a non-executive director of Church House Investments Limited, in which the Company is a significant shareholder and of which the Company is an appointed representative for certain regulatory purposes. Fees of £80,000 (2023 - £80,000) are payable in relation to the Appointed Representative Agreement. The Company received a dividend on its shareholding in Church House Investments during the year of £69,096 (2023 - £69,096).

The Cayzer Trust Company Limited

Notes to the Financial Statements (continued)

19. Operating leases

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

	2024	2023
	£	£
Less than one year	127,662	125,553
Between one and five years	320,617	453,274
Greater than five years	—	—
Total lease payments	<u>448,279</u>	<u>578,827</u>

During the year £123,114 (2023 - £113,062) was recognised as an expense in the income statement in respect of operating leases.

20. Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £nil (2023 - £nil).

21. Contingent liabilities

The Company has an agreement with Caytrust Finance Company Limited ("Caytrust Finance") that will indemnify and keep indemnified Caytrust Finance against compensation payable to deposit holders due to fraud or certain other losses, should they ever arise.

The potential liability is limited to a maximum amount of the total monies being administered by Caytrust Finance at the time of an applicable event. The amount being administered by Caytrust Finance as at 31 March 2024 was £41,166,084 (2023 - £60,257,952).

22. Post balance day events

There are no post-balance day events that require disclosure under FRS 102.