Athelney
TRUST PLC

Annual Report 2025

DISCOVERING POTENTIAL

Contents

Annual Report for the year ended

31 December 2025

Company number
02933559

Athelney Trust
Waterside Court, Falmouth Road
Penryn, Cornwall TR10 8AW

Investment Objective

The investment objective of the Trust is to provide long-term growth in dividends and capital, with the risks inherent in small cap investment minimised through a spread of holdings in quality small cap companies that operate in various industries and sectors. The Investment Manager also considers that it is important to maintain a progressive dividend record.

Investment Policy

The assets of the Trust are allocated predominantly to companies with either a full listing on the London Stock Exchange or a trading facility on AIM or AQSE. The assets of the Trust have been allocated in two main ways: first, to the shares of those companies which have grown steadily over the years in terms of profits and dividends but, despite this progress are undervalued by the market when compared to future earnings and dividends; second, those companies whose shares are undervalued by the market when compared with the value of land, buildings, other assets or cash on their balance sheet.

Directors of the Company

Frank Ashton
Non-Executive Chair

Frank Ashton, aged 64, is a highly experienced senior manager and independent management consultant. After leaving Cambridge University with a Natural Sciences degree (Metallurgy & Materials Science), he spent much of his career providing independent management advice to companies in a wide variety of sectors. With 15 years spent at PricewaterhouseCoopers and KPMG (Operational Due Diligence) and 5 years working in Strategy and M&A for Cummins Inc, he has a proven track record in shareholder value creation and governance, in providing strategic and operational advice to both public and private companies in Europe and USA, as well as working at a policy level for Government entities.

Dr Emmanuel Clive Pohl AM
Managing Director

Manny Pohl, aged 72, is the Chair and CIO of investment house EC Pohl & Co which he founded in June 2012 and has led through its evolution into today's independent, highly acclaimed Australian fund manager. Manny holds engineering and MBA degrees from the University of Witwatersrand and a doctorate in Business Administration (Economics) from Potchefstroom University.

Manny has over 30 years of investment experience, initially as head of research for leading South African broking firm, Davis Borkum Hare, followed by Westpac Investment Management in Australia after he emigrated to Australia in 1994. Manny founded Hyperion Asset Management in 1996 and left in 2012. He has served on the Boards of several major corporations in his native South Africa, the UK and his adopted home Australia. In 2019 Manny was recognised in the Queen's Birthday honours list for significant service to the finance sector, and to the community.

Directors of the Company

Continued

Simon Moore

Non-executive Director

Simon Moore, aged 65, is a consultant Senior Investment Analyst. He has been an investment trust analyst since 1994 and has worked with several stockbrokers in the City of London including Williams de Broe, Teather & Greenwood and Collins Stewart. He was also Senior Investment Manager at Seven Investment Management and Head of Research at Tilney Bestinvest, Senior Investment Analyst at EQ Investors. Simon has been a long-standing member of two important committees at the Association of Investment Companies: the Statistics Committee and the Property and Infrastructure Forum. In 2013 and 2014 Simon was chosen as one of the Citywire Wealth Manager Top 100 most influential people in UK private client fund selection. Simon is a scientist by training and has worked at two start up UK biotechnology companies, before passing on his knowledge and passion as a science tutor for the Open University. For four years (2021 to 2025) Simon was a visiting lecturer at Heriot-Watt University on their MSC Investment management program. He has a Biochemistry BSc from Imperial College, and an MSc in Computer Modelling of molecules from Birkbeck College.

Jason Pohl

Alternate Director

Jason Pohl, aged 36, has ten years of professional experience in fundamental bottom-up investment research at ECP Asset Management Pty Ltd.

Originally pursuing a legal career, Jason spent his initial stages of his professional career working for Ashurst (previously Blake Dawson) before being admitted as a Legal Practitioner in the NSW Supreme Court. Jason has a B.Com, LLB, and an MBA from Bond University.

During 2023 he was appointed as a Director of Global Masters Fund Limited, a company listed on the Australian Securities Exchange.

Strategic Report
Chair's Statement and Business Review

Dear Shareholder

I am pleased to present the Annual Financial Report for the year to 31 December 2025.

The Strategic Report section of this Annual Report has been prepared to help all Shareholders understand the drivers of performance in the past year, how the Company operates and to assess its performance.

Financial Summary and Overview

The key performance indicators are as follows:

	Year ended 31 December 2025	Year ended 31 December 2024	% Change
NAV total return	(8.4%)	(10.4)%	n/a
Revenue return per ordinary share	11.4p	7.4p	54%
Total return per share	(6.6)p	(13.1)p	n/a
Share price	165.0p	175.0p	(5.7%)
Net asset value per ordinary share	169.5p	186.1p	(8.9%)
Discount to NAV per ordinary share	2.6%	5.9%	n/a
Cumulative value of shareholder investment (net asset value plus cumulative dividends per ordinary share)	179.5p	196p	(8.4%)
Shareholders' funds	£3.657m	£4.015m	(8.9%)

- The Trust's Investment performance over 12 months as measured by NAV total return, which is the change in NAV plus the dividend paid, was minus 8.4% (2024: minus 10.4%).
- The interim dividend of 2.4p per share was paid on 26 September 2025.
- Your Board recommends a final dividend of 7.6p per share increasing a total dividend payable for the year to 10.0p (2024: 9.9p) an increase of 1%
- This is the 23rd successive year of progressive dividends and importantly returns the Trust to the "Dividend Heroes" list maintained by the AIC, a list of investment companies that have consistently increased their dividends for 20 or more years in a row.

Performance

Last year, 2025, was disappointing on a number of fronts. First the performance of your Company was poor in terms of share price (minus 5.7%) and NAV total return (minus 8.4%) but particularly when compared to the average share price return for UK Smaller Companies Sector of Investment Trusts at 6.7% and also larger caps, where the FTSE 100 rose over 21%.

Second, there was a concerted recovery in the relative performance of UK versus US equities, as the FTSE100 outperformed the S&P500 (up 17.4% in 2025) driven by investor needs to reduce risk (of over-exposure to US tech stocks and market) and ongoing uncertainties driven by President Trump's projection of strength with large tariff increases; however this recovery did not translate to UK small- and mid-cap companies.

Third, although there is huge value to be unlocked in UK Smaller Companies, sentiment is still against this sector, defying bargain valuations and good relative dividend performance compared to, for example, US equivalents.

Fourth, the UK Government, despite the clarity provided by its landslide victory just 18 months ago, has struggled to realise growth and has increased the headwinds for small companies (tax increases, regulatory and employment rights all increased business burden). As a result, business confidence as measured by the CBI, fell again in late 2025, also because of poor government communication on tax changes before the Autumn budget, and a lack of business support in it, for real growth.

The budget itself in November was nearly a month later than expected, prolonging the uncertainty for businesses, which often result in delays to their investments or cancellation of key projects. Chaotic government, with many U-turns on key policy announcements (thirteen in total, so far) and declining business confidence will hinder, not help further efforts to realise real growth. It is disappointing that the government seems yet to fully grasp and act on these truths.

Outflows from UK equities continued (November was the 41st consecutive month of outflow) investors withdrawing money from UK companies to invest elsewhere create pricing pressures, deeper discounts and a greater disconnect to strong underlying fundamentals. Only a small inflow would have a huge difference and there are some signs of movement in this direction as the size of November's outflow was substantially smaller than October.

M&A activity can be a driver for investors in UK, and although 2025 was lower in deal value compared to the unusually good performance of 2024, there has been more certainty provided to the deal landscape by the Autumn Budget, in particular relating to CGT. This suggests there may be some rise in deal volume in 2026. The Chancellor Rachel Reeves managed to double her headroom in the November Budget and will be hoping there will now be signs of real growth. The OBR is predicting the full 2025 figure for GDP growth will land at 1.5% (better than 0.1% of 2024).

However, Reeves will also be throwing her hands up at the latest threats of 10% and 25% US tariffs for the UK, in relation to Trump's Greenland 'negotiation' which throws more uncertainty at Jaguar Land Rover's future. After the August cyberattack which cost JLR £196m of extra costs and £50m per week lost revenue in a five-week loss of production, and a calculated £1.9bn loss to the UK supply chain/economy, Reeves, the government, JLR and indeed all in the UK will hope that Trump is true in this case to his TACO moniker (Trump always chickens out).

High potential – UK Small Caps remain undervalued

We remain confident of and committed to our value-based principles, despite the different headwinds nationally and internationally, discussed above. We believe small cap stocks remain cheap now (compared to large cap) as well as for their long term performance. UK Small Caps are trading on 10x forward P/E ratio, compared to their 14x long term average and at a 40% discount to US counterparts.

Strategic Report
Chair's Statement and Business Review
Continued

There is some optimism that lower inflation and a slower employment market create the conditions for the BoE to cut interest rates, perhaps as low as 3% by the end of the year, closer to the 2% target. This would strongly favour smaller businesses who tend to have a greater burden of borrowing, and need to invest heavily to realise the highest growth rates.

Dividend and Earnings

I am very pleased to share that the company's total revenue earned from its portfolio in 2025 increased by 36% to £275,506 (2024: £202,843), and earnings per share increased to 11.4p (2024: 7.4p).

There has been a great deal of work performed by Manny Pohl and the EC Pohl & Co team to manage long term growth expectations and also to return higher levels of income, which have been slowly improving since the pandemic.

This has been hard work because there was a drop in the value of UK dividend payments in each of the first three quarters of 2025, compared to 2024 which was unusually high in total terms, driven by one-off special dividends. In 2025 many boards have chosen to benefit shareholders with any extra cash by the alternate route of share buybacks, reducing headline dividend income for the UK compared to 2024.

The board is pleased to recommend a final dividend of 7.6p which, subject to shareholder approval at the AGM, will be paid on 7 May 2026, to those shareholders on the register at 10 April 2026. Once added to the interim dividend, this brings the full dividend for 2025 to 10.0p a 1% increase on 2024.

Board and Company Developments

The Board places significant importance on corporate governance and compliance with the AIC and UK Corporate Governance Codes. Full details are set out in the Corporate Governance section on pages 16 to 18.

As a small, low-cost fund, your Board continues to assess how best to structure and plan for a board that meets shareholder and regulatory needs, has continuity, stability and reflects prudent management of costs.

Therefore, I am delighted in January 2025 that the Board moved to external management of the fund, under EC Pohl & Co Pty Ltd, which resulted in a new reward system, based solely on actual comparative performance. If there is no real increase in portfolio value compared to the benchmark, there will be no performance fee for that month or year. This means that in 2025, because of the poor comparative performance, the company has saved the fund manager's fee (£31,325 in 2024) and has not been charged a performance fee. For more details on the calculation of the fee, see page 39 note 8.

In terms of other controllable costs, I confirm a continued freeze on the non-executive director's fee (£10,500) with no premium for Chair positions, which is comparable to the NED fee of other, similarly sized funds.

The move to external fund management substantially reduced the comparative OCF (Ongoing Charges Figure) calculated for 2025 (by £27,480). This was not sufficient to offset increases in Dealing Charges (up by £23,871) and Other Expenses (charged to Capital, up by £29,808) year on year. The final OCF is 3.91% (2024: 3.13%) calculated for 2025 using the AIC recommended Ongoing Charges methodology (taking annualised costs that would reasonably be incurred if there was no trading of the investee shares divided by the average of the published monthly NAV).

I am also happy to report that there has been no repeat in 2025 of the turmoil and inevitable extra time and cost incurred by the company in both of the two previous years, driven by our auditors resigning unexpectedly. There was no fault on the part of Athelney Trust or its team; you may remember that changes by the FRC to rules for auditing PIE companies such as Athelney Trust which increased risk, cost and staffing pressures for such auditors drove both to resign.

There has been a 'merger' for our auditor Beever and Struthers, which following regulatory approval became part of Menzies LLP on 1 October 2025. The audit team and approach has not changed, there are no direct time or cost implications for the company and we will continue to monitor their effectiveness and we will monitor for any resulting impact on the audit relationship.

Environmental, Human Rights, Employee, Social and Community Issues

The Board consists entirely of two Non-Executive Directors and one Managing Director. The Company has no direct impact on the community or the environment, and as such has no environmental, human rights, social or community policies. In carrying out its investment activities and in relationships with suppliers, the Company aims to conduct itself responsibly, ethically and fairly.

Environmental, Social and Governance factors are considered as part of the commercial evaluation of investee companies.

Annual General Meeting (AGM)

We are pleased to invite shareholders to our AGM at the offices of Druces LLP, 99 Gresham Street, London EC2V 7NG on 15 April 2026 at 12.00 noon.

There will be an opportunity to ask questions during the AGM and also afterwards in a less formal environment.

We encourage all shareholders to vote on the resolutions, all of which the board endorses ahead of the deadline at 12 noon on 13 April 2026. Details on how to vote at the AGM, and its resolutions are in the Notice of AGM, which is delivered with this Annual Report. Further copies are available on our website, or from the Company Secretary.

Capital Gains

During the year the Company realised capital profits before expenses arising on the sale of investments in the sum of £101,647 (2024: £49,006).

Portfolio Review

Additional Holdings Purchased

Additional and new holdings of *4Imprint, AJ Bell, Boku, Dunelm Group, Impax Asset Management, Keystone Law, Mony Group, Paypoint, Rightmove, S&U, Spectra Systems and Wise* were acquired.

Holdings Sold or Trimmed

AEW UK REIT, Alpha Group, Cake Box Holdings, Cerillion, Games Workshop, Gamma, National Grid, NWF, Relx, Treatt and *Tritax Big Box REIT*

Outlook

Despite all the analysis shared above, we are still optimistic for the future and 2026. We believe deeply in value and have seen our fund manager consistently find and support quality companies that can provide the right balance of income and growth.

We invest for the long term, knowing that over time, our approach will beat the average and produce attractive returns. Therefore we remain patient, even in the face of pandemic or when US President Trump, as principal guest at a conference on a Swiss mountain declares a trade war over territory, with his country's closest allies (whose leaders are also at the same conference). If you had any doubt before:

The geopolitical future is uncertain.

It seems clear that President Trump is rewriting the rule book. Emboldened by the 'success' of the military mission in Venezuela, he is now comfortable to threaten allies with tariffs, to send a powerful armada to help him to enforce his will on Iran, and to chastise ally leaders for daring to speak up when they 'should be grateful'. The suspense, similar to that created by a reality TV show around "will he, won't he" compels attention. Yet it also signals danger as markets and investors hold their breath, the dollar loses value as gold gains it, and China and Russia seek to take advantage of the new landscape. As Prime Minister Sir Keir Starmer walks a tightrope of diplomacy during his visit to China, we wait to see the new rules, their impact on markets and how diplomacy will respond.

Will Trump's Board of Peace displace the United Nations? Peace in Gaza has been replaced as the Board's purview by 'promoting peace and good governance around the world'. 'Failed institutions' as mentioned in the Board's Charter, are widely interpreted to mean the UN. The Chairman will be all-powerful with all Board members being selected and terminated by him, unless 'permanent membership' is bought ($1bn in cash). Who can support Vladimir Putin's membership invitation? Will Macron resist a threatened 200% tariff on French wines to force him to take up his Board position?

If these developments, added to the US government's recent successful kidnapping (and likely incarceration) of Venezuela's President Maduro for drug-trafficking, play out, the usual rules of international law and long-standing US role in the post WWII 'old order' are under real threat. How markets and governments will respond through 2026, is impossible to know. Gold prices are up by 50% since mid-August and now seem set to climb further.

Generally, if calm heads and voices win out, we can see potential for real upside for your Company in 2026. At the moment, the 2026 outlook appears to include greater geopolitical uncertainty and higher market volatility than for some time.

Thank you for your continued support; we hope to see you in person at the AGM.

Frank Ashton
Non-Executive Chair
3 March 2026

Strategic Report
Investment Manager's Review

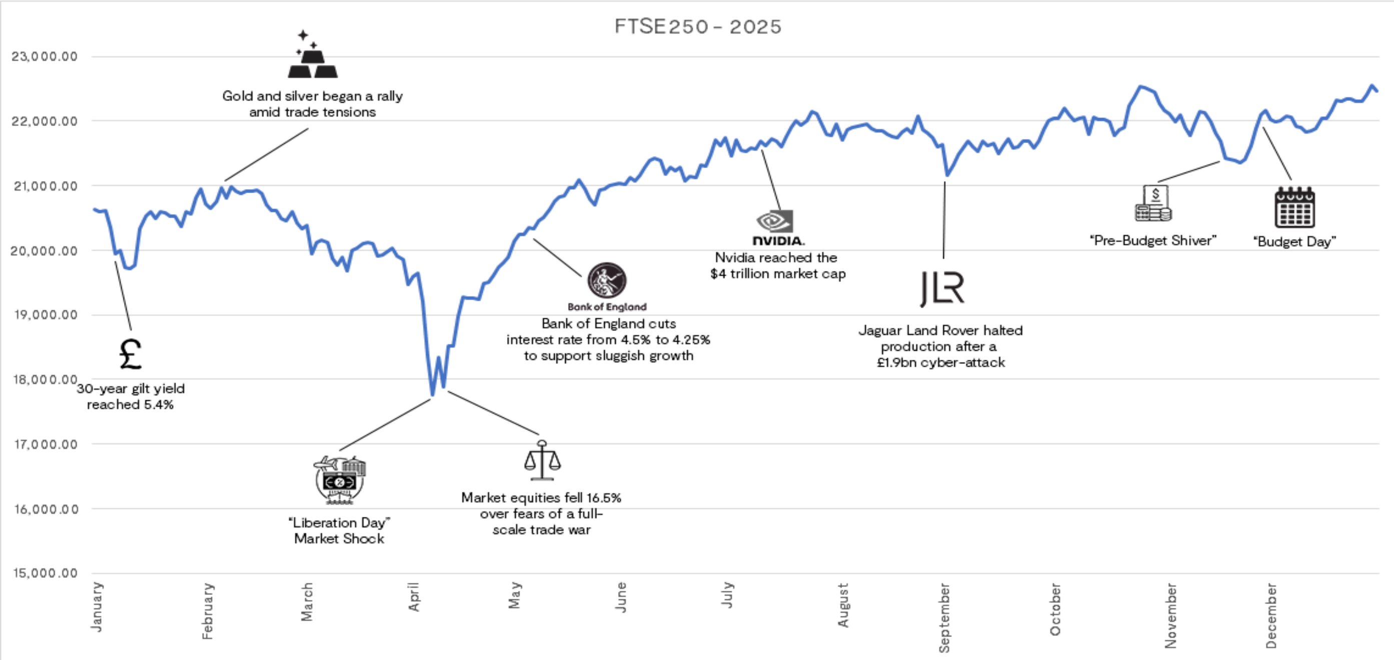
Reflecting on 2025

While Queen Elizabeth II referred to 1992 as an "Annus Horribilis" following upheaval within the British royal family, for us 2025 would definitely fall into this category. Not only did some of our long-standing portfolio stalwarts falter but market participants have chosen to ignore business fundamentals and focus on the euphoria surrounding the benefits of artificial intelligence, as is evident from the following facts pertaining to the S&P 500.

Over the twelve months to September 25, the Meme stocks were up 120%, profitless tech was up 66%, the S&P500 was up 17% and quality tech up only 1%. While this data pertains to the S&P 500 in the US, the same theme is evident in the United Kingdom where business models are assumed to be under threat by AI while AI-associated companies are assumed to be winners. Furthermore, market performance in 2025 was skewed by the underperformance of the small to midcap stocks which does appear to have been overdone as investors funneled £530m into funds in November on the back of an improvement in sentiment towards the UK according to recent data published by the Investment Association.

The attached chart of the FTSE 250 Index provides an overview of the events that have shaped the market over the past twelve months.

Chart 1: FTSE 250 Index



AI: From Speculation to Deployment

Over the past year, artificial intelligence has clearly progressed from speculative enthusiasm toward tangible commercial deployment. This is evident in our own holdings. Across the combined portfolio, 88% of companies are now actively deploying AI in their products or services, while 87% maintain active R&D programs investing in future growth. Innovation remained robust, with 82% releasing new products or capabilities during the year.

Companies have increasingly embedded AI into core business functions, delivering productivity improvements and supporting earnings growth across a range of industries. However, the rapid pace of investment in AI infrastructure has also led to the emergence of a highly interconnected ecosystem of strategic partnerships, creating concentrated exposure and elevating systemic risk.

A number of high-profile arrangements highlight this dynamic. Nvidia has committed up to US$100 billion to support OpenAI's data-centre expansion, followed by a separate US$300 billion agreement between OpenAI and Oracle. OpenAI estimates its cumulative infrastructure spending could reach approximately US$1.4 trillion over the next eight years, despite expectations that free cash flow will remain negative until late in the decade. By comparison, the combined capital expenditure of Amazon, Microsoft, and Alphabet over the past ten years is less than US$1 trillion. These continued deal announcements have driven significant equity re-rating, making AI-related investment a dominant contributor to market returns.

UK vs Global: A Tale of Two Worlds

When comparing the stocks in our UK portfolio with those in a global portfolio, global stocks delivered stronger results across most metrics. 88% of global holdings grew earnings compared to 78% in the Athelney portfolio. Pricing power constraints affected approximately 32% of UK holdings compared to just 9% globally, reflecting the competitive intensity of domestic markets and the inflation pressures that persisted through the year. Leadership turnover was also elevated in UK at 46%, nearly double the global rate of 24%.

Workforce restructuring was more prevalent in UK, with one third of holdings reporting layoffs versus 24% globally. Yet both portfolios continued hiring for growth (62% of the group), indicating targeted optimization rather than broad retrenchment.

These differences partly explain the performance gap, but they also highlight where the alpha opportunities lie. Several UK businesses now trade at valuations that do not reflect the quality of the business or their position early in their growth journeys.

Strategic Report

Investment Manager's Review

Continued

Portfolio Performance

Our portfolio has performed as shown in Table 1.

Table 1: Performance Metrics

Compound Growth Rate	1 Year	2 Years	3 Years	5 Years	10 Years
ATY Portfolio*	-2.2%	-2.4%	-0.5%	-0.9%	n.a.
ATY NAV	-8.9%	-10.0%	-8.2%	-7.9%	-3.6%
AIM All Share	6.5%	0.2%	-2.7%	-7.9%	0.4%
FTSE Small Cap	9.9%	8.2%	6.4%	3.9%	5.0%
FTSE 250	9.0%	6.8%	6.0%	1.9%	2.6%
FTSE 100	21.5%	13.3%	10.0%	9.0%	4.8%

* Portfolio performance is time weighted, before management fees, expenses and dividends and is only available from when Dr Manny Pohl AM commenced managing the portfolio.

Our principal contributors to performance during the year were Alpha Group International, Games Workshop, AEW UK REIT, and S&U plc, each of which advanced by more than 10%. In particular, Alpha Group, Games Workshop, and S&U delivered gains in excess of 30%, reflecting continued strength in their underlying economics rather than short-term market enthusiasm.

The largest detractors during the year were PayPoint, Treatt, Liontrust Asset Management, and Impax Asset Management, which together accounted for approximately 60% of the total detractors from portfolio performance. Each experienced share price declines of more than 30% during 2025 and now trade at levels close to historical lows.

The Disconnect Between Fundamentals and Market Performance

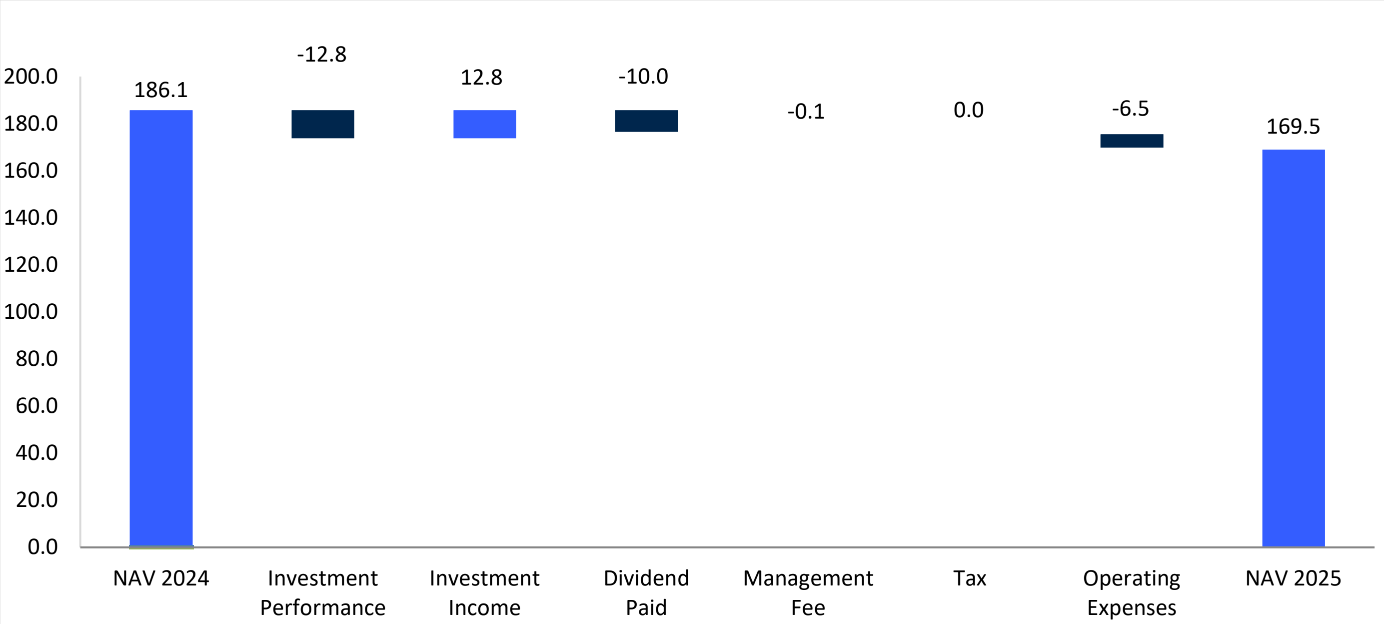
The irony is that our portfolio companies, by and large, continued to execute exceptionally well. Across our portfolio of 24 companies:

- 70% grew revenues during the year
- 74% generated positive free cash flow
- 78% delivered earnings growth
- 91% gained market share
- 96% continued investing in growth through capital expenditure

Customer retention across the portfolio remained exceptionally strong, with only 8% of holdings experiencing any material contract or client losses. This is not the profile of businesses under strain, but of quality franchises continuing to compound through a difficult operating environment. Market focus has nonetheless shifted elsewhere. Over the past six months, lower-quality, highly leveraged companies across the globe with weak returns on equity have delivered their strongest relative outperformance in 25 years, outside the immediate post-GFC rebound. Our portfolio stands in clear contrast: 78% of holdings operate with gearing below 30%, and approximately 74% maintain net-cash balance sheets.

Over the years, the Athelney NAV has been negatively impacted by rising fixed costs and as pointed out in the Chairman's commentary, we have been able to dramatically reduce these over the past twelve months. Furthermore, in the management of the portfolio we have been able to increase the investment income to a level where it exceeds the amount paid out by way of dividend and management fee and the intention is to get this to a level where it covers both the dividend paid and all the expenses. This ensures that Athelney will be able to maintain its large dividend payout of 6.1% as compared to say the FTSE250 of 3.5%.

Chart 2: Contributions to NAV in the period 1 January 2025 to 31 December 2025



Through this process we have still remained true to our process - focusing on the stocks in our portfolio rather than attempting to predict macroeconomic trends and industry responses. Our focus has been to maintain our large exposure to AEW UK Reit and higher dividend yielding businesses in recognition of the need to maintain the dividend paid to Shareholders while adding quality growth companies to the portfolio.

During the year Treatt was targeted for acquisition by Natara Global Limited, and we sold into the offer which ultimately failed after shareholders rejected the final cash offer in early November 2025. Alpha Group received a takeover offer from US-based Corpay which we sold into, valuing the company at £1.81 billion, a 55% premium. We exited our positions in Cerillion, Tritax Big Box and Gamma Communications during the year. The proceeds from these sales were reallocated to strengthen our existing holdings and to initiate new positions in companies we believe are well-positioned to expand their economic footprint and generate sustainable growth for the portfolio over the long term.

Movements in our holdings are detailed in the Director's Report and over the past twelve months we added four new names to the portfolio:

BOKU INC: (LSE: BOKU)
Boku is a global mobile and online payments platform providing direct carrier billing and digital wallets in over 90 countries. The company's capital-light model, network effects, recurring revenues, and disciplined management align well with our investment philosophy.

KEYSTONE LAW: (LSE: KEYS)
Keystone Law Group is a UK based law firm with a tech enabled platform model, allowing self-employed lawyers to deliver flexible, high-quality legal services.

MONY GROUP: (LSE: MONY)
Mony Group plc is a leading UK-based price comparison website, helping consumers save on financial products, insurance, energy, and broadband services.

SPECTRA: (LSE: SPSY)
Spectra Systems is a leader in optical and sensor-based security technology, offering end-to-end systems from specialized materials and sensors to software platforms and fully printed secure products for use in currency, documents, goods, and gaming integrity.

Productivity, Growth and Opportunity in UK Small and Mid-Caps

Our portfolio is deliberately focused on UK small and mid-cap businesses, where improvements in productivity tend to translate directly and disproportionately into cash flow and returns on capital. These companies are not pursuing artificial intelligence as a theme, but rather they are adopting practical tools that simplify operations, reduce costs, improve pricing discipline, and allow revenues to scale without a commensurate increase in capital or headcount.

As American Economist Nouriel Roubini has observed, the broad adoption of AI has the potential to lift corporate profitability on a structural basis, not merely as a cyclical rebound. For smaller, well-managed companies, even incremental gains in efficiency can materially enhance margins and free cash flow. We believe this dynamic will continue to work quietly in favour of our holdings through the remainder of the decade.

Improving productivity, firmer growth dynamics, and easing financial conditions provide a constructive backdrop for our portfolio. Supported by a strong income profile and attractive long-term return potential, we remain focused on owning businesses where incremental gains in efficiency and profitability can compound quietly over time. As ever, valuation and discipline matter, but for patient owners, time remains the decisive advantage.

Strategic Report
Investment Manager's Review
Continued

Portfolio Positioning
In managing portfolios, we remain committed to our core philosophy of focusing on the economics of the business rather than attempting to anticipate short-term macroeconomic outcomes. We focus on owning companies with strong competitive advantages, proven management teams, and clear pathways to sustainable earnings growth. By maintaining a long-term ownership mindset and actively managing position sizes as valuations evolve, we seek to balance risk management with the pursuit of attractive returns.

The current portfolio is a collection of high-growth, high-quality, and capital-light businesses, while the FTSE 100 and FTSE 250 are currently dominated by more traditional, capital-intensive, and slower-growing companies. This is most evident in R&D spending, where our portfolio generally reinvests well into double-digit percentages of its sales back into R&D, whereas the benchmark's R&D intensity tends to be typically in the low single digits of revenue. This focus on innovation has driven much of the faster historical growth metrics for the portfolio, with 5-year Sales and Free Cashflow CAGRs (15.4% p.a. and 18.1% p.a. respectively) over the same period.

Operating margins in our portfolio have been trending up as our companies benefit from continued operating leverage, while operating margins for the benchmark appear to have been declining from around high-single-digit levels five years ago to mid-single-digit levels in the latest year. Across our holdings, 52% maintain EBITDA margins above 15% and 30% exceed 20%.

Our portfolio is also more capital efficient, with 52% improving return on invested capital this year. Balance sheets remain healthy: 78% of holdings operate with gearing below 30%, and approximately 74% maintain net-cash balance sheets.
We would expect that these higher-than-average operating metrics should show up in higher-than-average return drivers for the portfolio. In addition, the current expected returns for the portfolio are as good as they have ever been.

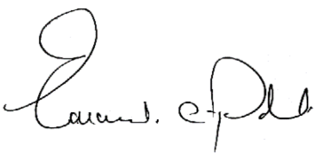
The Year Ahead
As we look to 2026, the continued expansion of AI and data-driven technologies will remain a powerful structural growth driver, although second-order effects warrant close attention. With the large proportion of our holdings actively deploying AI and many releasing new innovations this year, we are positioned to benefit as AI moves from infrastructure investment to enterprise applications and productivity gains.

Rising demand for energy, computing infrastructure, and specialized labour may create both opportunities and constraints, reinforcing the importance of careful stock selection. Our focus on companies with strong competitive positions (91% gained market share this year) on the back of pricing power and exceptional customer retention provides resilience against these pressures.

The current dislocation between quality metrics and market prices also creates opportunity and with fundamentals intact and valuations compressed, the conditions for outperformance are in place.

We are encouraged by the recent recovery in our companies' price-to-earnings (P/E) ratios, rebounding from prior lows. Coupled with strong short-term financial performance evidenced by organic sales growth, solid earnings, and rising dividends this reinforces our confidence in their future prospects. These positive developments point to a promising trajectory for further valuation growth across our portfolio. These market conditions are ideal for investors seeking resilient, growth-oriented high-quality investments, positioning them well for long-term outperformance.

Update
The unaudited NAV on 28 February 2026 was 170.7p per share – an increase of 0.7% from 31 December 2025. The share price on the same day was 135p (trading at a discount of 21%). Further updates can be found at www.athelneytrust.co.uk



Dr Manny Pohl AM
3 March 2026

Strategic Report

Investment and Portfolio Analysis at 31 December 2025

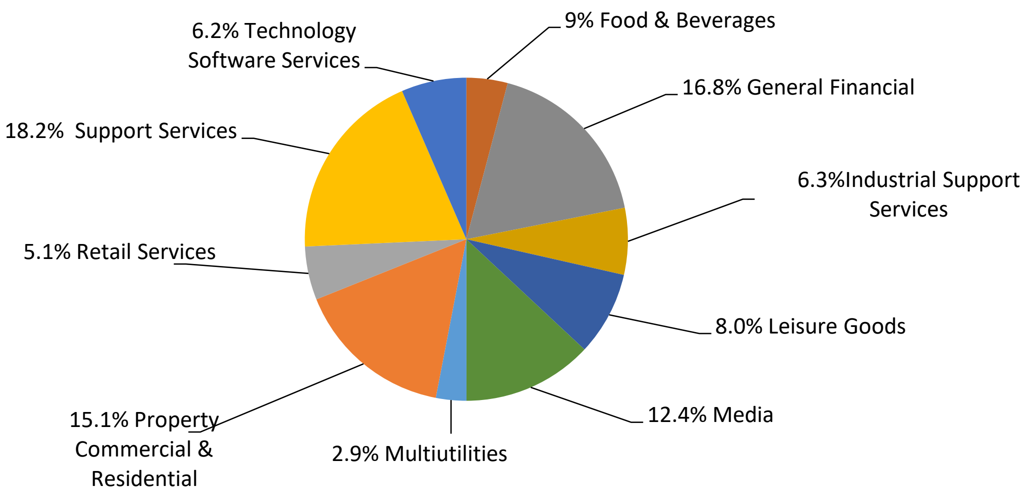
	Stock	Holding	Value (£)	SECTOR £	%
Food & beverages	Cake Box Holdings	90,000	182,700		
	Fevertree Drinks	17,000	139,060	**321,760**	**9.0%**
General financial	AJ Bell	48,000	211,680		
	Impax Asset Management	73,000	110,960		
	Liontrust Asset Management	40,000	105,800		
	S & U	8,000	166,400	**594,840**	**16.8%**
Industrial support services	Keystone Law Group	20,000	123,200		
	Boku Inc	20,000	42,000		
	Spectra Systems	40,000	60,000	**225,200**	**6.3%**
Leisure goods	Games Workshop	1,500	283,350	**283,350**	**8.0%**
Media	4imprint Group	6,500	249,600		
	Relx	2,000	60,380		
	Rightmove	20,000	103,880		
	YouGov	10,100	25,755	**439,615**	**12.4%**
Multiutilities	National Grid	9,000	102,735	**102,735**	**2.9%**
Property, commercial & residential	AEW UK REIT	500,000	536,000	**536,000**	**15.1%**
Retailers	Dunelm Group	16,000	180,480	**180,480**	**5.1%**
Support services	Auto Trader	14,000	82,040		
	BTG Consulting	140,000	158,900		
	NWF Group	100,000	130,000		
	PayPoint	41,538	196,479		
	Wise	9,000	80,190	**647,609**	**18.2%**
Technology	Mony Group	110,000	202,180		
	Raspberry Pi Holdings	7,000	21,014	**223,194**	**6.2%**

Portfolio Value		3,554,783
Net Current Assets		101,767
TOTAL VALUE		3,656,550
Shares in issue		2,157,881
Audited NAV	**169.5p**	

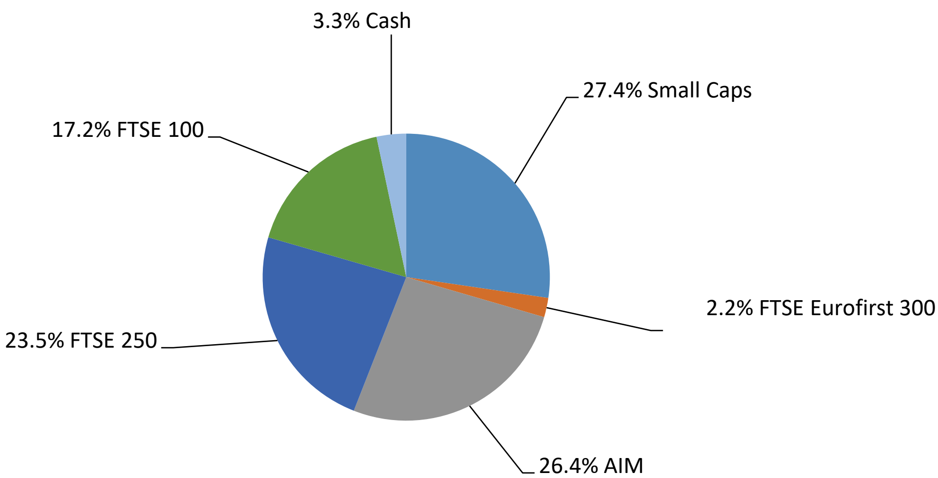
Investment and Portfolio Analysis at 31 December 2025

Continued

Portfolio by Sectors



Portfolio by Listing



Strategic Report
Section 172(1) Statement

The Directors of the Company are required to promote the success of the Company for the benefit of the Members and Shareholders as a whole. Section 172(1) of the Companies Act (2006) expands this duty and requires the Directors to consider a broader range of interested parties when considering the promotion of the Company. This wider group of stakeholders will include employees, if any, suppliers, customers and others, and the Board will look to understand and take into account the needs of each stakeholder, although recognising that different stakeholders may have conflicting priorities and not all decisions made will be to the benefit of all stakeholder groups.

When making decisions the Board should consider the following:

- the likely consequences of any decisions in the long-term;
- the interests of the Company's employees (if applicable);
- the impact of the Company's operations on the environment and the community;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the need to act fairly for all members of the Company, and
- the desirability of the Company maintaining a reputation for high standards of business conduct.

In line with similar small Investment Trusts and Investment Companies, Athelney Trust plc does not have any customers and relies on a number of third-party providers of services such as Company Administrator, the Custodian and the Registrar to maintain its operations. The Company takes into account the regulations of the market in which it operates and has regard to the environment and the wider community in which it operates.

At every Board meeting the Directors review the performance of the Company towards meeting the Company's Investment Objective through its strategy. EC Pohl Pty Ltd was appointed the Investment Manager on 1 January 2025, Manny Pohl the Managing Director and Richard Obree from EC Pohl Pty Ltd report to other Board members and answers any questions raised. Compliance with existing regulatory and legal requirements is reviewed, together with any new regulations that are due to be introduced or are being proposed that may affect the Company.

Whilst the Board recognises the importance of giving due consideration to our stakeholders is not new, S172 requires that the Board elaborates on how it discharges its duties in this respect.

We have categorised our key stakeholders into two groups.

- Shareholders
- Investment Manager, Company administrator and other service providers.

Shareholders

The Company produces Annual and Half Yearly Reports and monthly fact sheets which are all available from the Company's website and paper copies are available on request from the registered office. The publication of these reports is considered to be the primary method of communication to Shareholders and other readers of the reports and provides detailed information on the portfolio, performance over the period and an assessment of the outlook for the Company.

The Annual Report also contains details regarding the Company's corporate governance and the Board seeks to ensure that the Report is readable and is mindful that it should be fair, balanced and understandable.

The Board also encourages all Shareholders to attend and participate at its Annual General Meeting ("AGM"). The Board is available to answer questions directly from Shareholders, to provide an update to the meeting and to offer Shareholders an insight into the business.

Shareholders who attend the AGM are also invited to attend a small luncheon after the AGM to engage in a less formal setting with the Board and other shareholders.

Shareholders can contact the Company or any of its Directors through the Company Secretary or through their company email addresses.

Investment Manager

On 1 January 2025 EC Pohl & Co Pty Ltd was appointed as Investment Manager. Details regarding the appointment and the agreement can be found in note 8 on page 39.

Manny Pohl acts as their Chief Investment Officer and Athelney Trust's Fund Manager. Regular communication is maintained between the Fund Manager, his colleagues and the Directors advising them of all matters concerning the Company's investments.

Manny Pohl and EC Pohl & Co Pty Ltd has several other funds (including a Dublin-based UCITS ICAV) and listed Investment Companies that it also manages, with total assets under management of A$3bn. EC Pohl & Co Pty Ltd is a leading, award winning investment manager with extensive expertise in global equity investment. EC Pohl & Co Pty Ltd.'s approach is anchored in sustainability and responsible investment principles, aligning its investment strategies with long-term environmental, social and governance considerations.

EC Pohl & Co Pty Ltd has a team of 8 investment professionals with over 145 years of combined investment experience.

We believe this experience is highly valuable to Athelney Trust.

Company Administrator and other Service Providers

The Board seeks to maintain regular and constructive contact with its service providers to ensure that the Company runs smoothly and all obligations are met in a timely manner.

Deborah Warburton acted as Company Secretary and GW & Co. Limited as the Administrator. Regular communication is maintained between the Company Secretary and the Directors advising them of all matters concerning the Company. The Company also relies on the provision of services from outside parties to operate and considers the needs and objectives of those providers and recognises that their success will often assist the Company in achieving its objectives.

Strategic Report
Other Statutory Information

As explained within the Report of the Directors on pages 21 to 23, the Company carries on business as an investment trust. Investment trusts are collective closed-ended public limited companies.

Board

The Board of Directors is responsible for the overall stewardship of the Company, including investment and dividend policies, corporate and gearing strategy, corporate governance procedures and risk management. Biographical details of the three male Directors, can be found on pages 2 and 3.

Investment Objective

The investment objective of the Trust is to provide shareholders with prospects of long-term capital growth with the risks inherent in small cap investment minimised through a spread of holdings in quality small cap companies that operate in various industries and sectors. The investment Manager also considers that it is important to maintain a progressive dividend record.

Investment Policy

The assets of the Trust are allocated predominantly to companies with either a full listing on the London Stock Exchange or a trading facility on AIM or AQSE. The assets of the Trust have been allocated in two main ways: first, to the shares of those companies which have grown steadily over the years in terms of revenue and profits but, despite this progress are undervalued by the market when compared to future earnings and dividends; second, those companies whose shares are undervalued by the market when compared with the value of land, buildings, other assets or cash on their balance sheet.

Investment Strategy

The investment strategy employed by the Investment Manager in meeting the investment objective focuses on active stock selection. The selection of individual holdings is based on analysis of, amongst other things, market positioning, competitive advantage, future growth, financial strength and cash flows. The weighting of individual investments reflects the Investment Manager's conviction in the expected future returns from those holdings.

Investment of Assets

At each Board meeting, the Board considers compliance with the Company's investment policy and other investment restrictions during the reporting period. An analysis of the portfolio on 31 December 2025 can be found on pages 11 and 12 of this report.

Responsible Ownership

EC Pohl & Co Pty Ltd take a particular interest in corporate governance and social responsibility as part of their investment approach. As stated within the Corporate Governance Statement on pages 16 to 18, EC Pohl & Co Pty Ltd.'s current policy is available on their website **ecpohl.com**.

Review of Performance and Outlook

Reviews of the Company's returns during the financial year, the position of the Company at the year end, and the outlook for the coming year are contained in the Chair's Statement on pages 4 to 6 and the Investment Manager's review on pages 7 to 10 which form part of the Strategic Report.

Principal Risks and Uncertainties and Risk Management

As stated within the Corporate Governance Statement on pages 16 to 18, the Board applies the principles detailed in the internal control guidance issued by the Financial Reporting Council, and has established a continuing process designed to meet the particular needs of the Company in managing the risks and uncertainties to which it is exposed.

The principal risks and uncertainties faced by the Company are described below and an explanation as to how these have been mitigated or managed is also provided. The key business risks affecting the Company are:

	RISK	MITIGATION
BUSINESS RISK	The financial performance, market position, or growth prospects of investee companies may deteriorate or fail to meet expectations and result in loss of shareholders confidence.	Company looks to invest in businesses that can demonstrate resilient characteristics and a shared philosophy around long term creation of value.
MONETARY RISK	Changes in monetary policy and the monetary response to changing economic conditions including inflationary pressures, may adversely affect the market value of the Company's assets.	The Company owns a portfolio of assets that possess an enduring real value whether from the underlying vale of the investments or from their ability to create an income stream.
CONCENTRATION RISK	Excessive exposure to a single stock or sector may increase the Company's vulnerability to adverse market movements.	No single investment shall exceed 15% of gross assets, nor shall the income derived from it exceed 20% of total revenue, at the time of acquisition.
OPERATIONAL RISK	The Company relies on third-party service providers, including EC Pohl Pty Ltd (Investment Manager), GW & Co Limited (administrator), and James Sharp (custodian). Failures in their internal controls or operations could result in financial loss.	The Board formally reviews the Company's service providers on an annual basis.

Strategic Report
Other Statutory Information
Continued

The other risks that affect the company but are not considered key risks are listed below.

- Global conflict – The continuing war between Russia and Ukraine, and the Middle East has had a significant impact, inter alia, on inflation and, in conjunction with affairs in China, an impact on supply chains and globalisation. Investee companies will vary as to the impact on them and their ability to adapt.
- Inflationary pressure – Inflation escalated sharply in 2024 which carried over in to 2025, with the Bank of England raising interest rates on several occasions in an attempt to reduce the level of inflation. This has stabilised in 2025 however not all investee companies are well-placed to pass on cost pressures to their customers.
- Market – the Company's fixed assets consist almost entirely of listed securities and it is therefore exposed to movements in the prices of individual securities and the market generally.
- Investment and strategic – incorrect investment strategy, asset allocation, stock selection and the use of gearing could all lead to poor returns for shareholders.
- Regulatory – Relevant legislation and regulations which apply to the Company include the Companies Act 2006, the Corporation Tax Act 2010 ("CTA") and the Listing Rules of the Financial Conduct Authority ("FCA"). The Company has noted the recommendations of the UK Corporate Governance Code and its statement of compliance appears on pages 16 to 18. A breach of the CTA could result in the Company losing its status as an investment company and becoming subject to capital gains tax, whilst a breach of the Listing Rules might result in censure by the FCA. At each Board meeting the status of the Company is considered and discussed, so as to ensure that all regulations are being adhered to by the Company and its service providers.
- Financial – inadequate controls by the Investment Manager or other third-party service providers could lead to misappropriation of assets. Inappropriate accounting policies or failure to comply with accounting standards could lead to misreporting or breaches of regulations.
- Liquidity – the Company may have difficulty in meeting obligations associated with financial liabilities.
- Interest rate risk – this is not considered to be a direct risk to the Company other than through its effect on investee companies.
- Trading – the Company is a small trust and its shares can be illiquid, which means that investors may have difficulty in dealing in larger amounts of shares.
- Geopolitical risk - some of the companies that we have invested in trade globally and their value may be affected by international political developments, changes in government and their policies, changes in taxation, restrictions in foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which they operate.

The Company has complied with the MiFID ll and KID legislation and the deadlines to ensure that shares in the Company were still able to be traded. A copy of the Company's KID can be found on the website http://www.athelneytrust.co.uk

The Board is not aware of any breaches of laws or regulations during the period under review and up to the date of this report.

The Board seeks to mitigate and manage these risks through continual review, policy setting and enforcement of contractual obligations. It also regularly monitors the investment environment and the management of the Company's investment portfolio. Investment risk is spread through holding a wide range of securities in different industrial sectors.

Statement Regarding Annual Report and Financial Statements

Following a detailed review of the Annual Report and Financial Statements by the Audit Committee, the Directors consider that taken as a whole it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

The Directors have adopted best practices as described by the AIC's Statement of Recommended Practice on financial statements dated July 2022.

Greenhouse Gas Emissions, Environment and Community

As an investment company with its activities outsourced to third parties or self managed by the Non-Executive Directors, the Company's own direct environmental impact is minimal. The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. As the Company does not have any direct employees nor any physical office environment of its own it has little direct impact on the community or the environment. The Company seeks to reduce its impact on the environment in encouraging Shareholders to receive Reports electronically rather than through printed hard copies. When paper copies are requested FSC paper is used. The Board also engage through electronic means where possible rather than hold excessive face to face meetings. Furthermore, the Company considers itself to be a low energy user under the Streamlined Energy & Carbon Reporting regulations and therefore is not required to disclose energy and carbon information.

Social, Community and Human Rights issues

The Company does not have any employees as a result no issues exist in respect of social, community or human rights issues.

Alternative Investment Fund Manager's Directive ("AIFMD")

The Company was registered with the FCA under AIFMD for the period to 31 December 2024 as its own AIFM. The Company de-registered with the FCA in March 2025 upon the appointment of EC Pohl Pty Ltd as the Investment Manager from 1 January 2025.

For and on behalf of the Board on 3 March 2026.

Dr Manny Pohl AM
Managing Director

Corporate Governance Statement

Statement of Compliance

The Board has considered the Principles and Provisions of the AIC Corporate Governance Code (the AIC Code) published in August 2024. The AIC Code addresses the Principles and Provisions set out in the UK Corporate Governance Code (the UK Code), as well as setting out additional Provisions on issues that are of specific relevance to the Company.

The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the Financial Reporting Council provides more relevant information to shareholders.

The company has complied with the Principles and Provisions of the AIC Code. The AIC Code is available on the AIC website (*www.theaic.co.uk*). It includes an explanation of how the AIC Code adapts the Principles and Provisions set out in the UK Code to make them relevant for investment companies.

The board considers that the Company has complied fully with the AIC Code and the relevant provisions of the UK Code, except as set out below.

- Due to the size of the Board, formal performance evaluations of the Chair, the Board, its Committees and individual Directors are not undertaken. Instead, it is felt more appropriate to address matters as and when they arise.
- Due to the size of the Board, it is felt inappropriate to appoint a senior independent non-executive Director.
- All the Directors have agreements for provision of their services but no limit has been imposed on the overall length of service. The recommendation of the Code is for fixed term renewable contracts. In recent years each of the Directors has retired and, where appropriate, sought re-election. One third of the Directors retires by rotation annually in accordance with the Company's articles of association.
- The Chair is a member of the Audit Committee which although goes against the corporate governance code, the AIC code states that the Chair can be a member of the Audit Committee if they are independent on appointment. The Board considers the Chair to bring significant experience to the Audit Committee and he is able to distinguish between the two roles.

The Company Secretary's line of communication in relation to whistle-blowing is to the Chair of the Company.

The Company does not have a Nominations Committee.

Shareholders hold the Directors of a company responsible for the stewardship of that company's affairs. Corporate governance is the process by which a Board of Directors discharges this responsibility.

The Company's arrangements in respect of corporate governance are explained in this report. The corporate governance statement forms part of the Report of the Directors which can be found on pages 21 to 23.

Board Operation

At 31 December 2025 the Board consisted of three Directors. The biographies of all the current Directors are contained on pages 2 and 3.

Manny Pohl retired by rotation and was re-elected at the AGM on 23 April 2025. The Directors believe that the Board has the balance of skills, experience and length of service to enable it to provide effective leadership and proper governance of the Company. The Directors possess a range of business and financial expertise relevant to the direction of the Company and consider that they commit sufficient time to the Company's affairs.

The Board is responsible for all matters of direction and control of the Company, including its investment policy, strategy and delivery. The Directors review at regular meetings the Company's investments and all other important issues to ensure that control is maintained over the Company's affairs.

All Directors receive relevant training, collectively or individually, as necessary. They liaised continuously throughout the year and were aware of their obligations to consider recruitment of further Directors as and when the occasion occurred.

The Directors of the Company meet at regular Board Meetings, usually once a quarter, with additional meetings arranged as necessary. During the year ended 31 December 2025, the Board met a total of 11 times. Two additional audit planning meetings were attended by Simon Moore, Frank Ashton and the Company Secretary.

	Board Meetings	Audit Committee	Remuneration Committee
Dr E C Pohl	7	-	-
F Ashton	7	3	1
S Moore	7	3	1

Jason Pohl is the alternate Director for Dr Manny Pohl, he was not required to attend any Board meetings during the year.

Board tenure

In terms of overall length of tenure, the AIC Code does not make specific restrictions on tenure for Directors. Some market commentators have expressed opinions that considerable length of service (which has generally been defined as a limit of 9 years) may lead to the compromise of a Director's independence.

The Board does not believe that a Director should be appointed for a finite period and that continuity and experience are considered to add significantly to the strength of the Board.

All Directors shall by rotation seek re-election by the Shareholders at the Company's Annual General Meeting ("AGM"). The AIC Code does recommend that it should have a policy on tenure of its Chairman. The Board has noted that there is no requirement under the AIC Code for its Chairman to have a maximum period of tenure, but that nine years maximum is considered best practice.

Corporate Governance Statement
Continued

The Board comprises three male Directors. Whilst the Board recognises the benefits of diversity in appointments to the Board, the key criterion for the appointment of new Directors will be the appropriate skills and experience in the interest of shareholder value. The Directors are satisfied that it has an appropriate breadth of skills and experience and is not currently planning to add a fourth Director to the Board.

The basis on which the Company aims to generate value over the longer term is set out in the Strategic Report on pages 4 to 15. All matters, including corporate and gearing strategy, investment and dividend policies, corporate governance procedures and risk management are reserved for the approval of the Board of Directors. The Board receives full information on the Company's investment performance, assets, liabilities and other relevant information in advance of Board meetings.

Board Responsibilities and Relationship with the Investment Manager

The Board is responsible for the investment policy (the Mandate) and strategic and operational decisions of the Company and for ensuring that the Company is run in accordance with all regulatory and statutory requirements.

These matters include:

- The maintenance of clear investment objective and risk management policies, changes to which require Board approval;
- The monitoring of the business activities of the Company, including investment performance and annual budgeting; and
- Review of matters delegated to the Investment Manager and Company Secretary.

The Investment Manager ensures that Directors have timely access to all relevant management and financial information to enable informed decisions to be made and contacts the Board as required for specific guidance. The Company Secretary and Investment Manager prepare monthly reports for Board consideration on matters of relevance, for example current valuation and portfolio changes, dividend comparisons with previous years, cash availability and requirements and a breakdown of shareholdings by listing and sector. The Board takes account of Corporate Governance best practice.

Corporate Governance and Social Responsible Investment Policy

The Board is aware of its duty to act in the interests of the Company. The Board acknowledges that there are risks associated with investment in companies which fail to conduct business in a socially responsible manner. The Investment Manager considers social, environmental and ethical factors which may affect the performance or value of the Company's investments. The Directors, through the Investment Manager, encourage companies in which investments are held to adhere to best practice in the area of Corporate Governance. They believe that this can best be achieved by entering into a dialogue with company management to encourage them, where necessary, to improve their policies in this area. The Company's ultimate objective is to deliver superior long term returns for Shareholders which the Board believes will be produced on a sustainable basis by investing in companies which adhere to best practice in the area of Corporate Governance. Accordingly, the Investment Manager will seek to favour companies which pursue best practice in this area.

Chair

Frank Ashton is independent and considers himself to have sufficient time to commit to the Company's affairs.

Directors' Independence

In accordance with the Listing Rules for investment entities, the Board has reviewed the status of its individual Directors and the Board as a whole. Two of the three current Directors including the Chair are considered by the Board to be independent in character and judgement and there are no relationships or circumstances which are likely to affect or could appear to affect the Directors' judgement.

Remuneration Committee

During the year the Remuneration Committee comprised Simon Moore and Frank Ashton. The Committee meets as necessary to determine and approve Director's fees, following proper consideration of the role that individual Directors fulfil in respect of Board and Committee responsibilities, the time committed to the Company's affairs and remuneration levels generally within the Investment Trust Sector.

Under Listing Rule 15.6.6, the Code principles relating to Directors' remuneration do not apply to an investment trust company other than to the extent that they relate specifically to non-executive Directors. Detailed information on the remuneration arrangements can be found in the Directors' Remuneration Report on pages 25 to 27 and in note 4 to the financial statements.

Company Secretary

The Company Secretary, Deborah Warburton FCCA, is responsible for ensuring that Board and Committee procedures are followed and that the Company complies with regulations. The Company Secretary also ensures timely delivery of information and reports and that the statutory obligations of the Company are met.

All the Directors have access to the advice and services of the Company Secretary.

Independent Professional Advice and Directors' Training

Individual Directors may, at the expense of the Company, seek independent professional advice on any matter that concerns them in the furtherance of their duties.

The Chair liaises on a regular basis with the other Directors and the Company Secretary to ensure that they are maintaining adequate training and continuing professional development.

Institutional Investors – Use of Voting Rights and Voting Policy

The Investment Manager, in the absence of explicit instruction from the Board, is empowered to exercise discretion in the use of the Company's voting rights. The Investment Manager votes against resolutions he believes may damage shareholders' rights or economic interests.

Corporate Governance Statement

Continued

The Board is seeking to renew its current powers to issue and re-purchase shares at the forthcoming Annual General Meeting.

- There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to the control attached to securities; no restrictions on voting rights; no agreements which the Company is party to that might affect its control following a successful takeover.
- There are no agreements between the Company and its Directors concerning compensation for loss of office.

Relations with Shareholders

The Company places great importance on communication with shareholders and welcomes their views. The Chair and the other Directors have spoken to major shareholders during the year to discuss their aspirations for the Company going forward. The Annual General Meeting of the Company provides a forum, both formal and informal, for shareholders to meet and discuss issues with the Directors of the Company.

To comply with the AIC Code the Board is required to consult with shareholders when 20 percent or more of votes have been cast against Board recommendations for a resolution. All resolutions proposed at the AGM were unanimously passed.

The notice and further details of the Annual General Meeting, to be held on 15 April 2026 at 12.00 noon, is published in a separate notification. The Annual Report and Notice of Annual General Meeting are sent to shareholders at least 20 working days before the Meeting.

Internal Control Review

The Directors are responsible for the Company's risk management and systems of internal control, for the reliability of the financial reporting process and for reviewing its effectiveness.

Throughout the year under review and up to the date of this Annual Report, there has been an ongoing process for identifying, evaluating and managing the principal risks faced by the Company, which accords with guidance supplied by the FRC on risk management, internal control and related financial and business reporting.

This is reviewed on a regular basis by the Board. The internal control systems are designed to ensure that proper accounting records are maintained, that the financial information on which business decisions are made and which are issued for publication is reliable and that the assets of the Company are safeguarded.

The risk management process and systems of internal control are designed to manage rather than eliminate the risk of failure to achieve the Company's objectives. It should be recognised that such systems can only provide reasonable, not absolute, assurance against material misstatement or loss.

Risk assessment and the review of internal controls are undertaken by the Board in the context of the Company's overall investment objective. The review covers the key business, operational, compliance and financial risks facing the Company. In arriving at its judgement of what risks the Company faces, the Board has considered the Company's operations in the light of the following factors:

- The nature and extent of risks which it regards as acceptable for the Company to bear within its overall business objective;
- The threat of such risks becoming a reality;
- The Company's ability to reduce the incidence and impact of risk on its performance; and
- The cost and benefits to the Company of third parties operating the relevant controls.

The majority of the functions for the day-to-day management of the Company are sub-contracted to third party service providers, and the Directors therefore obtain regular assurances and information from these suppliers regarding their internal systems and controls.

Internal Audit

The Board has reviewed the need for an internal audit function. It has decided that the systems and procedures employed by the Directors, provide sufficient assurance that a sound system of internal control, which safeguards the Company's assets, is maintained. An internal audit function specific to the Company is therefore considered unnecessary.

For and on behalf of the Board

Frank Ashton
Chair
3 March 2026

Audit Committee Report

The Audit Committee is subject to the UK Corporate Governance Code and focuses on the following Audit Committee responsibilities.

- That the company manages its non-audit relationships with audit firms to ensure that it has a fair choice of suitable external auditors at the next tender and in light of the need for greater market diversity and any market opening measures which may be introduced.
- Conducting the tender process and making recommendations to the board, about the appointment, reappointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor.
- Engaging with shareholders on the scope of the external audit, where appropriate. · Ensuring that the external auditor has full access to company records.
- Reviewing and monitoring the external auditor's independence and objectivity.
- Developing and implementing policy on the engagement of the external auditor to supply non-audit services, ensuring there is prior approval of non-audit services, considering the impact this may have on independence, taking into account the relevant regulations and ethical guidance in this regard, and reporting to the Board on any improvement or action required.
- Reporting to the Board and the members of the company on how it has discharged its responsibilities with respect to the external audit.
- Is responsible for overseeing and assessing the entity's external audit and its auditors. It should work to create a culture which recognises the work of, and encourages challenge by, the auditor. The Committee should review and monitor the external auditor's independence and objectivity as well as the effectiveness of the external audit process.
- Oversight of the external audit is an assessment of the effectiveness of the audit process. An assessment of external audit quality in the particular circumstances of the company requires consideration of the auditor's mind-set and culture; skills, character and knowledge; quality control; and judgment, including the robustness and perceptiveness of the auditors in handling key judgements, responding to questions from the audit committee, and in their commentary where appropriate on the systems of internal control.

In the course of its assessment of effectiveness, the Audit Committee have:

- Asked the auditor to explain the risks to audit quality that they identified and how these have been addressed during the course of the audit.
- Discussed with the auditor the key audit firm controls they have relied on to address the identified risks to audit quality and enquired about the findings from internal and external inspections of their audit and their audit firm.
- Reviewed whether the auditor has met the agreed audit plan and understand the reasons for any changes of which, no changes were identified.
- Obtained feedback about the conduct of the audit from key people involved.
- Reviewed and monitored the content of the external auditor's management letter, and other communications with the audit committee, and assessed whether it is based on a good understanding of the company's business.
- Obtained evidence of the effectiveness of the external audit and the auditor from those impacted by the audit/auditor.
- Satisfied itself that the quality of the audit is of a sufficiently high standard supported by evidence and be able to justify how the Committee arrived at its conclusion.
- Had regular open communication between the Audit Committee and the auditor.
- Presented a fair, balanced and understandable assessment of the Company's Annual Report and Financial Statements.
- Kept under review the effectiveness of the Company's internal control environment and risk management systems.
- Reviewed the need for the Company to have its own internal audit function.
- Made recommendations to the Board in relation to the re-appointment or removal of the external Auditor and to approve its remuneration and terms of engagement.
- Monitored the integrity of the Financial Statements of the Company, and reviewed the financial reporting process and the accounting policies of the Company.

During the year the Audit Committee comprised Simon Moore and Frank Ashton and the Committee met three times during the year.

Much of the Board's corporate governance responsibility is discharged through the Audit Committee. This Committee operates within clearly defined written terms of reference which are available upon request at the Company's registered office.

Audit Committee Report

Continued

Significant Issues Considered by the Audit Committee in Relation to the Financial Statements

Matter	Action
Investment Portfolio Valuation The Company's portfolio is invested predominantly in listed securities. Although all the securities are fully listed or traded on AIM or AQSE, errors in the portfolio valuation could have a material impact on the Company's net asset value per share.	The portfolio is valued at bid price at the end of each month by the company secretary, using the London Stock Exchange bid prices at close of business on the last day of the month.
Misappropriation of Assets Misappropriation of the Company's investments or cash balances could have a material impact on its net asset value per share.	The portfolio is agreed on a monthly basis by the Company Secretary during the completion of the monthly accounts and reconciled to the custodian statement.
Income Recognition Incomplete or inaccurate income recognition could have an adverse effect on the Company's net asset value and earnings per share and its level of dividend cover.	The level of income received for the year and the dividend forecast for the year are agreed on a monthly basis between the Investment Manager and the Company Secretary and reconciled to the custodian transaction statement.
Conflict in the Middle East The ongoing conflict in the Middle East and the uncertainty that surrounds this has adversely affected the global economy and this may impact on the valuation of investee companies and their ability to pay dividends.	The Investment Manager and the Administrator monitor the dividend situation monthly and make the Board aware of cancelled, postponed dividends as soon as they become aware.
Geopolitical Risk President D. Trump's first year in his second term has added to geopolitical tensions and uncertainties, including imposition of tariffs and more recently direct intervention in Venezuela and threats towards Greenland.	The Investment Manager and the Administrator monitor the dividend situation monthly and make the Board aware of cancelled, postponed dividends as soon as they become aware.
Ukraine War The war in Ukraine has adversely affected the global economy and this may impact on the valuation of investee companies and their ability to pay dividends.	The Investment Manager and the Administrator monitor the dividend situation monthly and make the Board aware of cancelled, postponed dividends as soon as they become aware.

Following consideration of the above, and its detailed review, the Committee was of the opinion that the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary to assess the Company's position and performance, business model and strategy and advised the Board accordingly.

Auditor

The Audit Committee will, in accordance with the terms of reference of the Committee, continue to consider the need to put the audit out to tender, the Auditor's performance, its fees and independence, along with matters raised during each audit.

Audit Fees

An audit fee of £36,000 + VAT has been agreed in respect of the audit for the year ended 31 December 2025.

Audit Services

No non-audit services were provided to the Company during the year under review.

Appointment of the Auditor

The Audit Committee reviews the scope and results of the audit and, during the year, considered and approved the appointment of Menzies LLP as the auditors after the merger with Beever & Struthers Chartered Accountants on 1 October 2025. The Committee also approved their plan for the audit of the financial statements for the year ended 31 December 2025. At the conclusion of the audit Menzies LLP did not highlight any fundamental internal control weaknesses.

As part of the review of auditor independence and effectiveness, Menzies LLP has confirmed that it is independent of the Company and has complied with relevant auditing standards. In evaluating Menzies LLP, the Audit Committee has taken into consideration the standing, skills and experience of the firm and the audit team. Following the FRC regulatory requirements, the engagement leader rotates after five years.

Simon Moore

Simon Moore
Chair Audit Committee
3 March 2026

Report of the Directors

The Directors present their report and audited financial statements of the Company for the year ended 31 December 2025. This report also contains certain information required in accordance with S992 of the Companies Act 2006.

Results and Dividends

The return on ordinary revenue activities before dividends for the year is £246,197 (2024: £159,108) as detailed on page 33.

The company paid an interim dividend of 2.4p per ordinary share on the 26 September 2025.

It is recommended that a final dividend of 7.6p per ordinary share be paid. This will increase the total dividend paid this year to 10.0p (2024: 9.9p) per ordinary share.

Principal Activity and Status

The Company (company number: 02933559) is a public limited company, limited by shares and incorporated in England and Wales. The registered office is Waterside Court, Falmouth Road, Penryn, TR10 8AW.

The Company is an investment company within the meaning of Section 833 of the Companies Act 2006 and has been granted approval from HM Revenue & Customs ("HMRC") as an investment trust under sections 1158 and 1159 of the Corporation Tax Act 2010 and will continue to be treated as an investment trust company, subject to continuing to meet the conditions for approval. The Company has a premium listing on the London Stock Exchange and its principal activity is portfolio investment.

The Directors are of the opinion that the Company has conducted its affairs for the year ended 31 December 2025 so as to be able to continue to qualify as an investment trust.

The Company's status as an investment trust allows it to obtain an exemption from paying taxes on the profits made from the sale of its investments and all other net capital gains.

Directors

Biographical details of the Directors can be found on pages 2 and 3.

In accordance with the arrangements for retirement contained in the Company's Articles of Association, the Directors will retire by rotation on a three yearly cycle. Frank Ashton will retire at the 2026 AGM and will offer himself for re-election.

In addition to any power of removal conferred by the Companies Acts, the Company may by special resolution remove any Director without notice.

Directors' and Officers' Liability Insurance

Directors' and Officers' liability insurance cover was in place throughout the financial year and as at the date of this report. The Company's Articles of Association provide, subject to the provisions of UK legislation, that the Directors may be indemnified out of the assets of the Company in respect of liabilities they may sustain or incur in connection with their appointment.

Conflicts of Interest

Each Director has a statutory duty to avoid a situation where they have, or could have, a direct or indirect interest which conflicts, or may conflict, with the interests of the Company. A Director will not be in breach of that duty if the relevant matter has been authorised by the Board in accordance with the Company's Articles of Association. The Board has approved a protocol for identifying and dealing with conflicts and conducts a review of actual or possible conflicts at least annually. No conflicts or potential conflicts were identified during the year. It is not considered that an interest in the Company's shares held by a Director will of itself give rise to a situation where that Director's interests or duties conflict with the interests of the Company.

Capital Structure

At 31 December 2025 the Company's capital structure consisted of 2,157,881 Ordinary Shares of 25p each (2024: 2,157,881 Ordinary Shares of 25p each).

Directors and Their Interests

The Directors who held office during the year and at the date of this report are shown below; their interest in the ordinary shares of the Company is stated on page 26 in the Directors' Remuneration Report.

Dr E C Pohl AM	(Managing Director)
F Ashton	(Chair)
S Moore	(Non-Executive Director)

In January 2025 the Company entered into a Management Services Agreement with EC Pohl & Co Pty Ltd a company which has Dr E C Pohl is a Director.

J C Pohl as Alternate Director for Dr E C Pohl. As Dr E C Pohl was able to attend all meetings of the Board during the year, J C Pohl was not required to attend any Board meetings.

Substantial Shareholders

The Directors have been notified of the following major shareholdings in the Company that represent greater than 3% of the voting rights:

	Ordinary Shares	**% of Issue**
Astuce Group	550,000	25.49
IP Worldwide Flexible Fund	339,054	15.71
Mehr Mutual	107,818	4.99
E C Pohl & Co Pty Ltd	86,000	3.99
Mrs E Davison	75,000	3.48
Mr GW & Mrs DJ Whicheloe	74,000	3.43
Mr C Frostick	70,500	3.27
Mr S Moore	67,500	3.13
P Grodzinski	65,000	3.01

Out of the nine major shareholders listed above, Dr. Manny Pohl has control over two substantial shareholdings amounting to 29.48% of the total shareholding. He is also in contact with IP Worldwide Flexible Fund and Mr C Frostick on a regular basis. Simon Moore has control of 3.13% of the total shareholdings and is in regular contact with two of the remaining four substantial shareholders.

Report of the Directors

Continued

The remaining two are in regular contact with the Directors (or their respective agent) to ensure that they are frequently apprised and are content with the manner in which the Company is being run.

There have been no changes to the substantial shareholders up until 28 February 2026.

Dividends

The Ordinary Shares carry a right to receive dividends which are declared from time to time by an Ordinary Resolution of the Company (up to the amount recommended by the Directors) and to receive any interim dividends which the Directors may resolve to pay.

Capital Entitlement

On a winding up, after meeting the liabilities of the Company, the surplus assets will be paid to ordinary shareholders in proportion to their shareholdings.

Voting

On a show of hands, every ordinary shareholder present in person or by proxy has one vote and, on a poll, every ordinary shareholder present in person has one vote for every share he/she holds and a proxy has one vote for every share in respect of which he/she is appointed.

Engagement with Suppliers and Other Business Relationships

The Directors have regard for the need to maintain good business relationships with suppliers and other businesses that the Company may have contact with throughout the year. Suppliers are paid in a timely manner and well within the credit terms afforded to the Company. Other business relationships are maintained on a professional and courteous level with regular contact being maintained by the Investment Manager, Company Secretary and Audit Committee Chair.

Going Concern

In accordance with the Financial Reporting Council's guidance on going concern, the Directors have undertaken a review of the Company's ability to continue as a going concern.

The Board has considered the current cash position of the Company, and forecast revenues for the current financial year. The Directors have also taken into account the Company's Investment Policy, which (described on page 14) is subject to regular Board monitoring processes, and is designed to ensure that the Company is invested in listed securities and those traded on AIM or AQSE.

The Company retains title to all assets held by its Custodian. Note 13 to the financial statements sets out the financial risk profile of the Company and indicates the effect on its assets and liabilities of falls and rises in the value of securities, market rates of interest and changes in exchange rates.

The assets of the Company consist mainly of marketable securities. The directors are of the opinion that at the time of approving the accounts, the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

In addition, the Directors have regard to ongoing investor interest in the sustainability of the Company's business model and in the continuation of the Company, specifically being interested in feedback from meetings and conversations with Shareholders. In addition to considering the principal risks on pages 14 and 15 and the financial position of the Company as described above, the Board has also considered the following further factors:

- the Board continues to adopt a long-term view when making investments;
- regulation will not increase to a level that makes the running of the Company uneconomical; and
- the performance of the Company will be satisfactory and should performance be less than the Board deem acceptable it has the powers to take appropriate action.

Viability Statement

Over the past number of years the Company has experienced a number of significant events. The level of inflation, interest rates and conflicts around the world have an impact on not just the Company but all commercial entities. The Directors have assessed the prospects of the Company going forward for a period of three years. The Board believes this time period is appropriate having consideration for the Company's principal risks and uncertainties (outlined on pages 14 and 15), its portfolio of listed equity investments and cash balances, and its ability to achieve the stated dividend policy.

In making this assessment, the Directors have considered detailed information provided at Board meetings which includes the Company's balance sheet, investment portfolio and income and operating expenses.

Based on the above, the Board has a reasonable expectation that the Company fully expects it will be able to continue in operation and meet its liabilities as they fall due over the three-year period of this assessment.

Board Diversity

When recruiting a new Director, the Board's policy is to appoint individuals on merit matched against the skill requirements identified by the Board.

The Board believes diversity is important in bringing an appropriate range of skills, knowledge and experience to the Board and gives this consideration when recruiting new Directors. The Board is required to disclose their compliance in relation to the targets on board diversity, set out under UK Listing Rule 6.6.6R(10) as set out in Listing Rule 6 Annex 1R, which are as follows:

1. at least 40% of the individuals on the Board of Directors are women;
2. at least one of the senior positions on the Board of Directors is held by a woman; and
3. at least one individual on the Board of Directors is from a minority ethnic background.

The table below sets out the composition of the Board at the year-end based on the prescribed criteria.

Report of the Directors

Continued

Gender Identity	Number of Board members	Percentage of the Board	Number of senior positions on the Board *
Men	3	100%	2
Women	-	0%	-

*Chair and Managing Director

Ethnic Background	Number of Board members	Percentage of the Board	Number of senior positions on the Board *
White British or other White (including minority -white groups)	3	100%	2
Mixed/Multiple Ethnic Groups	-	-	-
Asian/Asian British	-	-	-
Black/African	-	-	-
Other ethnic group including Arab	-	-	-
Not specified/prefer not to say	-	-	-

The Board notes that it does not currently meet the targets for women or ethnic diversity in the Board's current composition. The Board does not currently consider that changing the Board composition to meet targets would be in the best interests of Shareholders.
When making appointments in the future the Board will continue to operate an open-minded approach to recruitment without restrictions against any perceived group or individual. The Board will take into consideration the diversity targets set by UK Listing Rule 6 when making future appointments. However due to the size of the Board meeting a target of 40% of Directors being women with one being a senior Board position, and one individual being from a minority ethnic background may not be reached in the short term future.

The Company does not have any employees since 1 January 2025. As a result, the Board does not consider it necessary to establish means for employee engagement with the Board as required by the UK Corporate Governance Code.

Modern Slavery Act

As an investment vehicle that does not provide goods or services in the normal course of business, nor does it have any employees, the Directors consider that the Company is not required to make a slavery or human trafficking statement under the Modern Slavery Act 2015

Environmental, Human Rights, Employee, Social and Community Issues

The Company has no direct impact on the community or the environment, and as such has no environmental, human rights, social or community policies. In carrying out its investment activities and in relationships with suppliers, the Company aims to conduct itself responsibly, ethically and fairly by the Investment Manager.

Environmental, Social and Governance factors are considered as part of the commercial evaluation of investee companies.

Criminal Finances Act 2017 and Bribery Act 2010

The Company has zero tolerance towards the criminal facilitation of tax evasion and a policy of zero tolerance in relation to bribery and corruption both in its own actions and those of its third-party advisors and service providers.

Financial Instruments

The Company's financial instruments comprise its investment portfolio, cash balances and debtors and creditors that arise directly from its operations such as sales and purchases awaiting settlement and accrued income. The financial risk management objectives and policies arising from its financial instruments and the exposure of the Company to risk are disclosed in note 13 to the financial statements.

Annual General Meeting

The Notice of Annual General Meeting is published in a separate notification.

Post Balance Sheet Events

There are no post balance sheet events to report.

Statement of Disclosure to Auditor

In accordance with the requirement and definitions under section 418 of the Companies Act 2006, each of the Directors at the date of approval of this report confirms that:

- so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware; and
- each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Re-appointment of Auditor

A resolution will be put to the shareholders at the Annual General Meeting proposing the re-appointment of the firm of Menzies LLP as Auditor to the Company. Menzies LLP has indicated its willingness to continue in office.

For and on behalf of the Board

Dr Manny Pohl AM
Managing Director
3 March 2026

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements and have elected to prepare them in accordance with applicable United Kingdom law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 The Financial Reporting Standard applicable in 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 its profit or loss for that period.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Report of the Directors, a Strategic Report, Directors' Remuneration Report and Corporate Governance Statement.

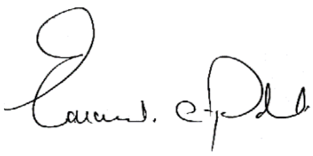
The Directors state that to the best of their knowledge:

- the Financial Statements, prepared in accordance with UK Generally Accepted Accounting Practice, give a true and fair view of the assets, liabilities, financial position and net return of the Company;
- the Annual Report and accounts, taken as a whole, are fair, balanced and understandable and provide the necessary information for shareholders to assess the Company's position and performance, business model and strategy; and
- the Chair's Statement and Report of the Directors include a fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that it faces.

The Directors are responsible for the maintenance and integrity of the corporate and financial information related to the Company including on the Company's website http://www.athelneytrust.co.uk

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

For and on behalf of the Board



Dr Manny Pohl AM
Managing Director
3 March 2026

Directors' Remuneration Report

The Board has prepared this Report in accordance with the requirements of Section 421 of the Companies Act 2006. An Ordinary Resolution will be put to the members to approve the Report at the forthcoming Annual General Meeting.

The law requires the Company's Auditor to audit certain disclosures provided. Where disclosures have been audited, they are indicated as such. The Auditor's opinion is included in their report on pages 28 to 32.

Remuneration Committee

The Company had a Remuneration Committee during the year comprising Simon Moore and Frank Ashton.

The Committee met during the year to review and implement measures to avoid or manage conflicts of interest where applicable and to consider and approve the Directors' remuneration for the year ending 31 December 2025.

Policy on Directors' Remuneration

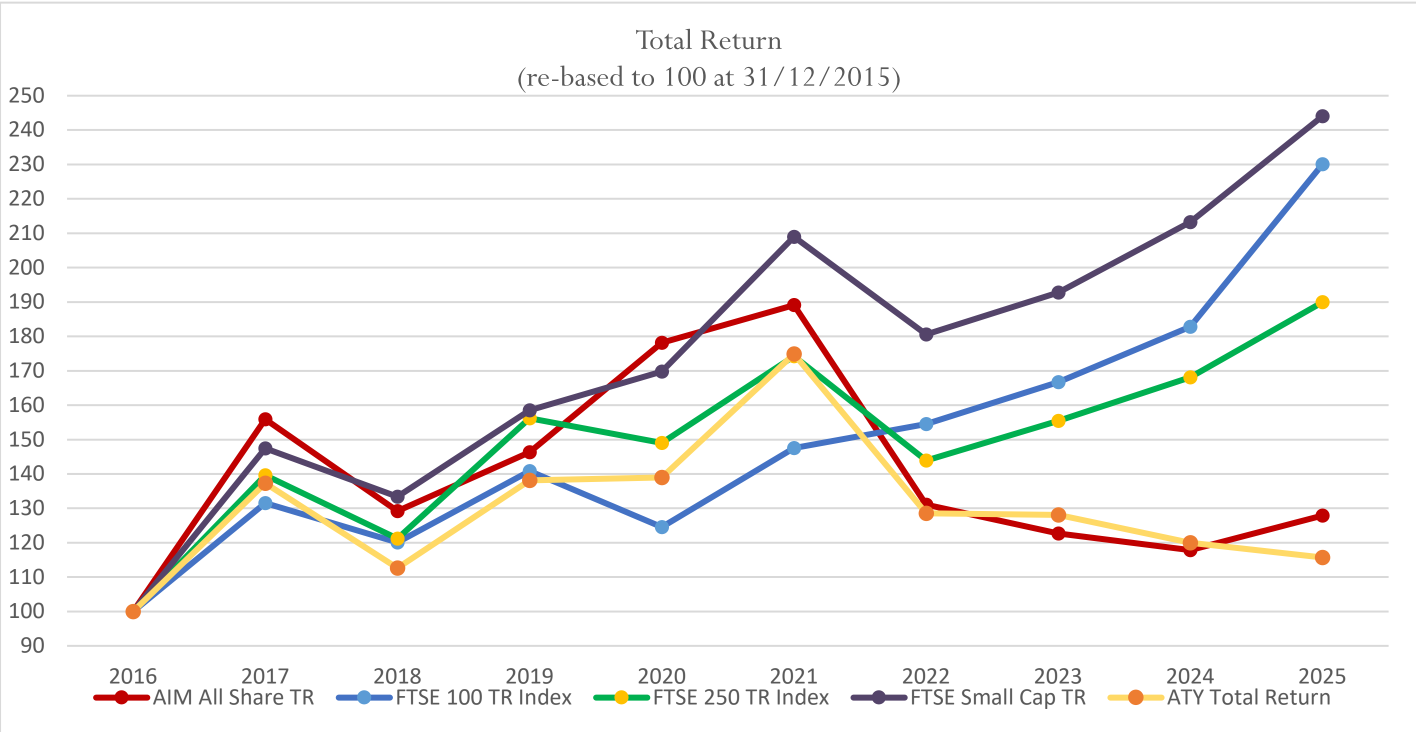
The Board's policy is that the remuneration of non-executive Directors should be sufficient to attract and retain Directors with suitable skills and experience, and is determined in such a way as to reflect the experience of the Board as a whole, in order to be comparable with other organisations and appointments. It is intended that this policy will continue for the year ending 31 December 2026 and thereafter.
The fees for non-executive Directors are determined within the limits set out in the Company's Articles of Association. The approval of shareholders would be required to increase the limits set out in the Articles of Association. Directors are not eligible for bonuses, performance fees, compensation on leaving office, pension benefits, share options, long-term incentive schemes or other benefits, as the Board does not consider such arrangements or benefits necessary or appropriate.

Fees for any new Director appointed will be made on the same basis. Director's fees have been set at £10,500 per annum for a number of years and no changes are expected for the foreseeable future. Manny Pohl has generously offered to waive his Director's Fees.

The policy was last approved by Shareholders at the Annual General Meeting on 16 March 2024 and will remain valid until the Annual General Meeting in 2026.

Company Performance

The graph below compares total return, for the ten financial years ended 31 December 2025, as a cumulative performance graph over the whole 10 years and a table of discrete calendar year performance figures. The comparison is between AIM All-Share and FTSE Small Caps indices as the majority of investment holdings by the Company are a constituent of one or the other of these two indices. The comparison is required by Statutory Instrument to enable the readers of the accounts to compare the performance of the Company.



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
ATY Total Return	5.8%	17.4%	-18.0%	22.6%	0.6%	25.8%	-26.5%	-0.4%	-6.3%	-3.6%
FTSE 100 TR	19.1%	11.9%	-8.7%	17.3%	-11.5%	18.4%	4.7%	7.9%	9.7%	25.8%
FTSE 250 TR	6.7%	17.8%	-13.3%	28.9%	-4.6%	16.9%	-17.4%	8.0%	8.1%	13.0%
FTSE Small Cap TR	14.3%	18.2%	-9.5%	18.8%	7.1%	23.0%	-13.6%	6.7%	10.7%	14.4%
AIM All Share TR	16.1%	26.0%	-17.1%	13.3%	21.7%	6.1%	-30.7%	-6.4%	-3.9%	8.5%

Past performance is no guarantee of future performance.

Directors' Remuneration Report

Continued

Directors' Remuneration for the Year (audited)

The Directors who served in the year received the following remuneration in the form of salaries or non-executive Directors' fees, no other salary related payments were made to any Director during the year.

	2025 £	2024 £	% Change
Dr E C Pohl - Fund Manager	-	31,325	(100%)
S Moore (Non-executive)	10,500	10,500	0.0%
F Ashton (Chair)	10,500	10,500	0.0%
Director's expenses	-	-	0.0%
	21,000	52,325	(59.9%)

The Directors' remuneration for the year of £21,000 is down by 59.9% on 2024. The decrease is due to the Investment Manager role being taken over by EC Pohl Pty Ltd on 1 January 2025 and Dr E C Pohl relinquishing his director's salary in the year.

Future Policy

	Expected Fees for the Year to 31 December 2026	Fees for Year to 31 December 2025
Chair basic fee	10,500	10,500
Non-Executive Director	10,500	10,500

Directors' remuneration: 5 year comparison

The table shows the percentage change in the annual remuneration of the directors over the past 5 years.

	% Change		
	E C Pohl	S Moore	F Ashton
2025	(100%)	0.0%	0.0%
2024	(8.4%)	0.0%	0.0%
2023	(14.7%)	0.0%	0.0%
2022	(10.7)%	0.0%	0.0%
2021	18.7%	0.0%	0.0%

Relative importance of spend on pay

	2025 £	2024 £
Total remuneration paid to directors	21,000	52,325
Total dividend paid to shareholders	215,789	213,630

From 1 January 2025 the company does not have any employees.

Performance, Service Contracts, Compensation and Loss of Office

- The Directors' remuneration is not subject to any performance related fee.
- No Director was interested in contracts with the Company during the period or subsequently.
- The terms of appointment provide that a Director may be removed without notice.
- Compensation will not be due upon leaving office.
- No Director is entitled to any other monetary payment or any assets of the Company.
- No incentive or introductory fees will be paid to encourage a directorship.
- The Directors are not eligible for bonuses, pension benefits, share options, long term incentive schemes or other benefits.

Directors' & Officers' liability insurance cover is maintained by the Company on behalf of the Directors.

Directors' beneficial and family interests (audited)

The interests of the Directors and their families in the Ordinary shares of the Company are set out below:

	31 December 2025 (or date of Resignation If earlier)	31 December 2024 (or date of appointment if later)
Dr E C Pohl	-[1]	-[1]
S Moore	67,500	67,500
F Ashton	2,234	2,234

Notes:

1. Dr E C Pohl is the sole beneficial owner of E C Pohl & Co Pty Limited. E C Pohl & Co Pty Limited holds 86,000 shares (2024: 86,000).

Manny Pohl is the Chairman and CIO of EC Pohl & Co Pty Ltd the Investment Manager. During the year dividends amounting to £8,600 were paid to EC Pohl & Co Pty Ltd.

The Directors are fully aware that the Company is not a close company and of the rules associated with this status. The Company Secretary maintains a record of shareholders which is regularly updated. The Company breached the 5/50 rule during 2019 and this has remained the case during the following six years due to the top 5 shareholders owning more than 50% of the total shares in the Company. The Company holds its Investment Trust status under the S446 Corporation Tax Act 2010 exemption because more than 35% of the company's shares are held by the public and have been actively traded in the past 12 months on the London Stock Exchange.

Directors' Remuneration Report
Continued

The Directors' Remuneration Report for the year ended 31 December 2024 was approved by shareholders at the Annual General Meeting held on 21 March 2025. The votes cast by proxy were as follows:

	Number of Votes	% of votes
For	1,127,799	52
Against	10,072	-
Total votes cast	1,137,871	52
Number of votes withheld	10,056	-

Directors' Service Contracts

Each of the Directors has a service contract or letter of engagement with the Company for an initial three-year term commencing in 2019. These were renewed for a further three years before the 2022 and the 2025 AGM. The service contracts are kept at the Registered Office and are available for inspection by appointment.

The letters of engagement for all the Directors provide for renewal by the Board on terms to be agreed from time to time.

Approval

The Directors' Remuneration Report was approved by the Board on 3 March 2026.

For and on behalf of the Board.

Simon Moore
Chair of Remuneration Committee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATHELNEY TRUST PLC

Opinion

We have audited the financial statements of Athelney Trust plc for the year ended 31 December 2025 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows, 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 FRS 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 state of the Company's affairs as at 31 December 2025 and of the Company's net return 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 as applied to listed public interest entities, 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.

Our approach to the audit

The scope, nature, timing and extent of the audit procedures performed was determined by our risk assessment and was communicated to the Audit Committee through our audit planning report.

In assessing the risks of material misstatement in the financial statement, our risk assessment was based on an understanding of the Company and its environment, including:
- system of internal control;
- regulatory environment;
- nature of the investment portfolio, income and expenses;
- day-to-day management and operations; and
- use of third party service providers to whom the company has delegated the provisions of custodian and accounting services.

Our assessment addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the directors that may have represented a risk of material misstatement.

We undertook substantive audit testing on significant transactions, balances and disclosures based on our assessment of materiality and risk.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified during our audit.

We have determined the matters described below to be the key audit matters to be communicated in our audit report.

Key Audit Matters	How our scope addressed this matter
Carrying value of the investment portfolio At 31 December 2025, the valuation of the investment portfolio was £3,554,783 (2024: £ 3,927,180) as shown in note 8 of the financial statements. All holdings are in quoted investments, and as such are not considered to be of high risk of material misstatement from management bias through judgement or estimate due to readily available market prices. However, due to their materiality in the context of the financial statements as a whole, the portfolio valuation is considered a key audit matter. There is a risk that the carrying value of the investments is incorrect and the unrealised gains and losses in the year have been incorrectly recorded. Additionally there is a risk that the number of shares held in those investments is misstated.	Our audit work included, but was not restricted to: • Obtaining a list of investments held at fair value through profit and loss from the Company and reconciling it to the general ledger and the financial statements. • Obtaining confirmations from the custodian, regarding the existence and ownership of the investments as at the reporting date. • Testing the fair value of all of the year-end investments by reference to independent market price information. • Reviewing the Company's accounting policy and disclosures in the financial statements for investments held at fair value through profit and loss and ensuring compliance with the applicable accounting standards and regulatory requirements. • Obtaining a list of all acquisitions and disposals during the period and reconciling it to the custodian records. Inspecting the contracts that related to the acquisition and disposal of investments and agreeing the prices to independent market prices, and the relevant cash movements.

	• Testing the accuracy and completeness of the recognition and measurement of all the gains and losses on fair value movements of the investments in profit or loss. • Confirming the appropriateness of the classification and presentation of the fair value gains and losses in the financial statements. **Key observations:** Based on the procedures performed, we did not identify any material misstatements in the valuation of the Company's investment portfolio as at the reporting date, or throughout the period, and we concluded that adequate disclosures have been included in the financial statements.
Non-compliance with laws and regulations As the Company is both listed on the London Stock Exchange and holds Investment Trust status under the S446 Corporation Tax Act 2010, there are rules and regulations that the Company must adhere to. A potential breach of the listing rules and Investment Trust status rules may lead to the Company losing its Trust status and its associated tax benefits.	Our audit work included, but was not restricted to: • Enquiries of management and reviewing the design and implementation of controls around the ongoing internal assessment and monitoring of Investment Trust Status compliance and management's review of this on a regular basis. • Testing the conditions for maintaining approval as an investment Trust as set out by HMRC, being a 15% maximum limit on retention of income and revenue expenses after dividends and a minimum 35% of its shares must be owned by the general public and traded on a recognized stock exchange. We critically assessed each of the conditions for maintaining approval to assess whether it has been met as at the year- end. • We have considered and appraised the assumptions made by management in their forecast of realised distributable accumulated profits to 31 March 2026, which were used in their consideration of the proposed final dividend payment. **Key observations:** Based on our review of the documentation maintained, we have not identified any non-compliance with the listing and Investment Trust rules during the period and at the year-end which would lead to approval being removed and we concluded that adequate disclosures have been included in the financial statements.

Our application of materiality

The scope and focus of our audit were influenced by our assessment and application of materiality. We define materiality as the magnitude of misstatement or omission that could reasonably be expected to influence the readers and the economic decisions of the users of the financial statements. We use materiality to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole. We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements.

Based on our professional judgement we determined materiality for the 2025 financial statements as a whole and performance materiality as follows:

	Financial statements
Materiality	£37,600
Basis for determining materiality	1% of Gross Assets

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATHELNEY TRUST PLC

Continued

Rationale for the benchmark applied.	Athelney Trust plc is a UK-based investment company that focuses on providing long term growth in dividends and capital. This is driven by holdings and performance in the investment portfolio. Gross assets have been selected as the chosen benchmark for materiality as the investment portfolio forms a significant part of the Company's gross assets and is a key performance metric assessed by management and one which the users of the financial statements are likely to focus. We have chosen this benchmark, based on the wider audit industry using 1%- 2% as a common threshold for gross assets of this nature.
Performance materiality	£18,500
Basis for determining performance materiality	50% of overall materiality
Rationale for the benchmark applied	The determination of performance materiality reflects our assessment of the risk of undetected errors existing and the nature of the systems and controls within the business.

The audit team has set specific levels of overall materiality for:

- Income from investments and revenue related expenses. This has been determined as £13,775 (being 5% of revenue) and performance materiality to be 50% of this figure. This amount was determined after considering the predictability of income and revenue expenses.
- Directors' remuneration. This has been determined as £10,500 and performance materiality to be 50% of this figure. This amount was determined after considering the level of each individual director's remuneration.

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £1,850. We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

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. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included the following procedures:

- We have critically assessed the directors' 12 month forecast and 3-year viability forecasts, which are prepared based on current financial performance and operational expectations and assessed the Company's ability to meet its liabilities as they fall due, including but not limited to, other external factors that in our opinion might affect the going concern status of the Company.
- We have evaluated the key assumptions in the forecast, which are consistent with our knowledge of the business and considered whether these are supported by the evidence provided.
- We assessed management's ability to prepare accurate forecasts by comparing the 2025 forecast, against the actual results of the year ended 31 December 2025.
- We examined the results of the stress testing performed by the directors in relation to the 3 year viability plan and assessed whether they were appropriate for the business.
- We examined the disclosures in the financial statements relating to the going concern basis of preparation and the explanation of the directors' assessment in light of the evidence obtained.
- We examined and critically assessed the liquidity of the invested shares at the current prevailing market price.

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.

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ATHELNEY TRUST PLC

Continued

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information within the annual report. 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, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors 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 the Report of the Directors.

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 and the part of the Directors' Remuneration Report to be audited 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.

Corporate Governance statement

We have reviewed the directors statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 22;
- Directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on page 22;
- Director's statement on whether it has a reasonable expectation that the Company will be able to continue in operation and meets its liabilities set out on page 22;
- Directors' statement on fair, balanced and understandable as set out on page 24;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 14-15;
- Section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 18 and;
- Section describing the work of the audit committee set out on pages 19-20.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 24, 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 ATHELNEY TRUST PLC

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of 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 to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the Company and considered that the most significant are the Companies Act 2006, FRS 102, the Association of Investment Companies (AIC) Statement of Recommended Practice, the Listing Rules, the Disclosure and Transparency Rules, compliance with HMRC conditions for Investment Trust Status and UK taxation legislation.
- We obtained an understanding of how the Company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations and any known or suspected instances of fraud.
- We reviewed minutes of meetings of those charged with governance throughout the period and post period date for instances of non-compliance with laws and regulations and for any known or suspected instances of fraud.
- We had discussions amongst the audit engagement team as to how and where fraud might occur in the financial statements, and the incentives for fraud.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non- compliance with laws and regulations, and designed specific procedures over balances and transactions most susceptible to fraud. This included (but was not limited to) making enquiries of management and those charged with governance, using data analytics to review higher risk transactions both during the year and at the year-end in the preparation of the financial statements and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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 FRC's website at: https://www.frc.org.uk/auditorsresponsibilities

This description forms part of our auditor's report.

Other matters which we are required to address.

We were appointed by the Directors on 2 October 2025 to audit the financial statements for the period ending 31 December 2025. This is the second year of our appointment following the merger of Beever and Struthers with Menzies LLP on 1 October 2025.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.

Menzies LLP

Zoe Fitchett BSc FCA (Senior Statutory Auditor)

For and on behalf of
Menzies LLP Statutory Auditor
One Express
1 George Leigh Street
Manchester
M4 5DL

3 March 2026

Income Statement

For the Year Ended 31 December 2025

	Note	Revenue	Capital	2025 Total	Revenue	Capital	2024 Total
		£	£	£	£	£	£
Losses on investments held at fair value	**9**	-	(275,558)	(275,558)	-	(310,888)	(310,888)
Income from investments	**2**	275,506	-	275,506	202,843	-	202,843
Investment management expenses	**3,8**	(-)	(2,500)	(2,500)	(3,133)	(29,980)	(33,113)
Other expenses	**3**	(29,085)	(110,997)	(140,082)	(40,154)	(101,384)	(141,538)
Net return on ordinary activities before taxation		246,421	(389,055)	(142,634)	159,556	(442,252)	(282,696)
Taxation	**5**	(224)	-	(224)	(448)	-	(448)
Net return (negative return) on ordinary activities after taxation	**6**	246,197	(389,055)	(142,858)	159,108	(442,252)	(283,144)
Net return per ordinary share	**6**	11.4p	(18.0)p	(6.6)p	7.4p	(20.5p)	(13.1p)
Dividend per ordinary share paid during the year	**7**	10.0p			9.9p		

All revenue and capital items in the above statement derive from continuing operations.

No operations were acquired or discontinued during the year.

The total column of this statement is the Statement of Total Comprehensive Income of the Company prepared in accordance with applicable Financial Reporting Standards ("FRS"). The supplementary revenue return and capital return columns are prepared in accordance with the Statement of Recommended Practice ("AIC SORP") issued in July 2022 by the Association of Investment Companies.

The notes on pages 37 to 41 form part of these financial statements.

Statement of Financial Position

As at 31 December 2025

Company Number: 02933559

	Note	2025	2024
		£	£
Fixed assets			
Investments held at fair value through profit and loss	9	3,554,783	3,927,180
Current assets			
Debtors	10	29,807	91,471
Cash at bank and in hand		118,191	43,669
		147,998	135,140
Creditors: amounts falling due within one year	11	(46,231)	(47,124)
Net current assets		101,767	88,016
Total assets less current liabilities		3,656,550	4,015,196
Net assets		3,656,550	4,015,196
Capital and reserves			
Called up share capital	12	539,470	539,470
Share premium account		881,087	881,087
Other reserves (non distributable)			
Capital reserve – realised		2,373,416	2,385,266
Capital reserve - unrealised		(283,893)	93,312
Revenue reserve (distributable)		146,470	116,061
Shareholders' funds - all equity		3,656,550	4,015,196
Net Asset Value per share	14	169.5p	186.1p

These financial statements were approved and authorised for issue by the Board of Directors on 3 March 2026 and signed on their behalf by

Dr Manny Pohl AM
Managing Director

The notes on pages 37 to 41 form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 December 2025

	Called-up Share Capital £	Share Premium £	Capital reserve realised £	Capital reserve unrealised £	Revenue reserve £	Total Shareholders' Funds £
Balance brought forward at 1 January 2024	539,470	881,087	2,467,624	453,206	170,583	4,511,970
Net profits on realization of investments	-	-	49,006	-	-	49,006
Decrease in unrealized Appreciation	-	-	-	(359,894)	-	(359,894)
Expenses allocated to Capital	-	-	(131,364)	-	-	(131,364)
Profit for the year	-	-	-	-	159,108	159,108
Dividend paid in year	-	-	-	-	(213,630)	(213,630)
Shareholders' Funds at 31 December 2024	**539,470**	**881,087**	**2,385,266**	**93,312**	**116,061**	**4,015,196**
Balance brought forward at 1 January 2025	539,470	881,087	2,385,266	93,312	116,061	4,015,196
Net profits on realization of investments	-	-	101,647	-	-	101,647
Decrease in unrealized Appreciation	-	-	-	(377,205)	-	(377,205)
Expenses allocated to Capital	-	-	(113,497)	-	-	(113,497)
Profit for the year	-	-	-	-	246,197	246,197
Dividend paid in year	-	-	-	-	(215,788)	(215,788)
Shareholders' Funds at 31 December 2025	**539,470**	**881,087**	**2,373,416**	**(283,893)**	**146,470**	**3,656,550**

The notes on pages 37 to 41 form part of these financial statements.

Statement of Cash Flows

For the Year Ended 31 December 2025

	2025	2024
	£	£
Cash flows used in operating activities		
Net revenue return	246,197	159,108
Adjustment for:		
Expenses charged to capital	(113,497)	(131,364)
Increase/(decrease) in creditors	(893)	6,736
Decrease/(increase) in debtors	61,664	46,238
Cash received/(used) in operations	193,471	80,718
Cash flows from investing activities		
Purchase of investments	(2,707,150)	(998,640)
Proceeds from sales of investments	2,803,989	1,134,874
Net cash (used)/received from investing activities	96,839	136,234
Cash flows from financing activities		
Equity dividends paid	(215,788)	(213,630)
Net cash (used)/received from financing activities	(215,788)	(213,630)
Net increase/(decrease) in cash	74,522	3,322
Cash at the beginning of the year	43,669	40,347
Cash at the end of the year	118,191	43,669

As the company does not have any loans, overdrafts or hire purchase arrangements, net debt is equal to cash and therefore no reconciliation of net debt has been disclosed.

The notes on pages 37 to 41 form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2025

1. Accounting Policies

Athelney Trust Plc is a public limited company, incorporated in England and Wales, registration number 02933559, The address of the registered office is Waterside Court, Falmouth Road, Penryn, Cornwall TR10 8AW.

1.1 Statement of Compliance and Basis of Preparation of Financial Statements

The financial statements are prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 ("FRS 102"), the Companies Act 2006 and with the AIC Statement of Recommended Practice ("SORP") issued in July 2022, regarding the Financial Statements of Investment Trust Companies and Venture Capital Trusts. All the Company's activities are continuing.

The presentation currency of the financial statements is pounds sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest pound.

1.2 Going concern

The Directors have made an assessment of the Company's ability to continue as a going concern. This has included consideration of portfolio liquidity, the financial position in respect of its cashflows, the working arrangements of key service providers, the continued eligibility to be approved as an investment trust company, the impact of the current economic environment and the current conflicts in the Ukraine and the Middle East. In addition the Directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

The Directors are satisfied that the Company has sufficient resources to continue in business for the foreseeable future being a period of at least 12 months from the date these financial statements were approved. Therefore, the financial statements have been prepared on the going concern basis.

1.3 Income

Income from investments including taxes deducted at source is recognised when the right to the return is established (normally the ex-dividend date). UK dividend income is reported net of tax credits in accordance with FRS 102 section 23 "Revenue". Interest is dealt with on an accruals basis.

1.4 Investment Management Expenses and Performance Fee

Ten percent of the directors' salaries have been charged to revenue and the other 90% to capital, 10% of the performance fee will be charged against revenue and 90% against capital. During the year no performance fee was payable. A fixed percentage of all other investment management expenses have been charged to capital. The Board propose continuing this basis for future years.

1.5 Other Expenses

Expenses (including VAT) and interest payable are dealt with on an accruals basis and charged through the Revenue and Capital Accounts in an allocation that the Board consider to be a fair distribution of the costs incurred.

1.6 Taxation

The tax effect of different items of income and expenses is allocated between capital and revenue on the same basis as the particular item to which it relates, using the Company's effective rate of tax for the year.

1.7 Investments

Listed investments comprise those listed on the Official List of the London Stock Exchange. Unlisted investments are traded on AIM or AQSE. Profits or losses on sales of investments are taken to realised capital reserve. Any unrealised appreciation or depreciation is taken to unrealised capital reserve.

Investments have been classified as "fair value through profit and loss" upon initial recognition.

Subsequent to initial recognition, investments are measured at fair value with changes in fair value recognised in the Income Statement.

Securities of companies quoted on a recognised stock exchange are valued by reference to their quoted bid prices on 31 December.

1.8 Judgements and estimates

The Directors confirm that judgements and estimates have been made in allocating revenue and capital expenditure. In certain instances, the Directors have exercised judgement in allocating specific costs between capital and revenue. This judgement, consistently applied for many years, considers the business effect, the nature of the work undertaken, and whether the time and effort expended contributes to capital growth or revenue generation. In some cases this approach departs from the AIC Statement of Recommended Practice (SORP) issued in July 2022, on allocating certain expenses to capital.

1.9 Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax liabilities are recognised for all taxable timing differences but deferred tax assets are only recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted.

1.10 Capital Reserves

Capital Reserve – Realised

Gains and losses on realisation of fixed asset investments are dealt with in this reserve. As per the company articles the reserve is not readily distributable.

Capital Reserve – Unrealised

Increases and decreases in the valuations of fixed asset investments are dealt with in this reserve. Unrealised capital reserves cannot be distributed by way of dividends or similar.

1.11 Dividends

In accordance with FRS 102 Section 32 "Events after the end of the Reporting Period", dividends are included in the financial statements in the year in which they go ex-div.

1.12 Share Issue Expenses

The costs associated with issuing shares are written off against any premium arising on the issue of Share Capital.

1.13 Financial Instruments

Short term debtors and creditors are held at cost.

Notes to the Financial Statements

For the Year Ended 31 December 2025 (continued)

2. Income

Income from investments

	2025	2024
	£	£
UK dividend income	227,271	134,278
Foreign dividend income	592	-
UK Property REITs	46,516	66,205
Bank interest	1,127	2,360
Total income	**275,506**	**202,843**

UK dividend income

	2025	2024
	£	£
UK Main Market listed investments	207,881	86,777
UK AIM-traded shares	66,498	47,501
	274,379	**134,278**

3. Return on Ordinary Activities before Taxation

The following amounts (inclusive of VAT) are included within investment management and other expenses:

	2025	2024
	£	£
Directors' remuneration:		
Services as a director	21,000	21,000
Otherwise in connection with management	-	31,325
Auditor's remuneration:		
Audit Services - Statutory audit		
Menzies LLP/Beever and Struthers	43,200	42,000
Moore Kingston Smith	-	2,460
Miscellaneous expenses:		
Management services	33,268	32,472
PR and communications	3,972	4,383
Stock exchange subscription	13,200	12,780
Sundry investment management and other expenses	24,994	28,231
Legal fees	2,948	-
	142,582	**174,651**

4. Employees and Directors' Remuneration

	2025	2024
	£	£
Costs in respect of Directors:		
Non-executive Directors' fees	21,000	21,000
Wages and salaries	-	31,325
	21,000	**52,325**

Average number of employees:
In moving to External Fund Management, the employment of Manny Pohl as Fund Manager was terminated in 2025, leaving the Company with no employees (2024:one).

The company has 3 non-executive directors, one of whom has been nominated as Managing Director.

5. Taxation

Current tax:

	2025	2024
	£	£
UK current tax expense	224	448
Tax on profit	**224**	**448**

(ii) Factors affecting the tax charge for the year.

The tax charge for the period is higher than (2024: higher than) the average small company rate of corporation tax in the UK of 19%. The differences are explained below:

	2025	2024
	£	£
Total return on ordinary activities before tax	(142,634)	(282,696)
Total return on ordinary activities multiplied by the average small company rate of corporation tax 19% (2024: 19%)	(27,100)	(53,712)
Effects of:		
UK dividend income not taxable	(43,294)	(25,513)
Revaluation of investments not taxable	71,669	68,380
Capital gains not taxable	(19,313)	(9,311)
Unrelieved management expenses	18,252	20,604
Current tax charge for the year	214	448

The Company has unrelieved excess revenue management expenses of £983,121 at 31 December 2025 (2024: £889,360) and £102,597 (2024: £102,597) of capital losses for Corporation Tax purposes which are available to be carried forward to future years. It is unlikely that the Company will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised.

Historically the Company has received approval from HM Revenue and Customs under Section 1158 of the Corporation Tax Act 2010, as a result of this approval the Company is not liable to Corporation Tax on any realised investment gains. The Directors intend to continue to meet the conditions required to obtain approval and therefore no deferred tax has been provided on any capital gains or losses arising on the revaluation or disposal of investments.

The Directors are fully aware that the Company is not a close company and of the rules associated with this status. The Company holds its Investment Trust status under the S446 Corporation Tax Act 2010 exemption because more than 35% of the company's shares are held by the public and have been actively traded in the past 12 months on the London Stock Exchange and this is regularly reviewed by the Directors.

6. Return per Ordinary Share

Returns per share are based on the weighted average number of shares in issue during the year.

	2025		
	£ Revenue	£ Capital	£ Total
Attributable return on ordinary activities after taxation	246,197	(389,055)	(142,858)
Weighted average number of shares		2,157,881	
Return per ordinary share	11.4p	(18.0p)	(6.6p)

	2024		
	£ Revenue	£ Capital	£ Total
Attributable return on ordinary activities after taxation	159,108	(442,252)	(283,144)
Weighted average number of shares		2,157,881	
Return per ordinary share	7.4p	(20.5p)	(13.1p)

7. Dividend

	2025 £	2024 £
Final dividend in respect of 2024 of 7.6p (2024: a final dividend of 7.6p was paid in respect of 2023) per share	163,999	163,999
Interim dividend in respect of 2025 of 2.4p (2024: an interim dividend of 2.3p was paid in respect of 2024) per share	51,790	49,631
	215,789	213,630

The Company's status as an Investment Trust under Section 1158 of the Corporation Tax Act requires that no more than 15% of the distributable revenue profits in a year can be retained from the revenue available for distribution in that year. Revenue profits for the year were £246,197.

An interim dividend of 2.4p per ordinary share was paid on 26 September 2025 amounting to £51,790. It is recommended that a final dividend of 7.6p (2024: 7.6p) per ordinary share be paid totaling £163,999 making the total dividend payable in the year £215,789. In deciding on the proposed final dividend, the Directors have considered the expected accumulated realised distributable profits to 31 March 2026 and concluded these will be in excess of the proposed dividend.

Summary of dividends paid for the last 10 financial years

Ex-div date	Dividend Type	Amount	Financial Year
09/04/2026	Proposed	7.6p	2025
11/09/2025	Interim	2.4p	2025
10/04/2025	Final	7.6p	2024
12/09/2024	Interim	2.3p	2024
08/03/2024	Final	7.6p	2023
07/09/2023	Interim	2.2p	2023
06/04/2023	Final	7.5p	2022
08/09/2022	Interim	2.1p	2022
10/03/2022	Final	7.5p	2021
09/09/2021	Interim	2.0p	2021
11/03/2021	Final	7.7p	2020
10/09/2020	Interim	1.7p	2020
19/03/2020	Final	9.3p	2019
20/03/2019	Final	9.1p	2018
01/03/2018	Final	8.9p	2017
09/03/2017	Final	8.6p	2016

8. Management Services Agreement

In accordance with a Management Services Agreement entered into in 2025 the Company has engaged the Investment Manager to manage the investment portfolio. Under the agreement the Investment Manager will only receive a performance fee, payable annually in arrears, equal to 10% of the amount by which the Company's annual portfolio performance before tax exceeds the interest rate payable on bank bills for that year. If the portfolio's net performance in the year is less than the interest rate payable on bank bills for that year, then no performance fee will be payable. As the portfolio performance was negative over the past twelve months no fee was payable. The allocation of the performance fee between capital and revenue will be 10% revenue and 90% capital as agreed by the Investment Manager and the Directors.

9. Investments

Movements in year	**2025 £**	**2024 £**
Valuation at beginning of year	3,927,180	4,374,302
Purchases at cost	2,707,150	998,640
Sales - proceeds	(2,803,989)	(1,134,874)
- realised gains on sales	101,647	49,006
Decrease in unrealised appreciation	(377,205)	(359,894)
Valuation at end of year	**3,554,783**	**3,927,180**
Book cost at end of year	**3,838,676**	**3,833,868**
(Decrease)/increase in unrealised appreciation at the end of the year	(283,893)	93,312
	3,554,783	3,927,180
UK Main Market listed investments	2,582,208	2,870,580
UK AIM-traded shares	972,575	1,056,600
	3,554,783	3,927,180

Gains on investments

	2025	2024
	£	£
Realised gains on sales	101,647	49,006
Decrease in unrealised appreciation	(377,205)	(359,894)
	(275,558)	(310,888)

The purchase costs and sales proceeds above include transaction costs of £23,461 (2024: £9,047) and £15,436 (2024: £5,979) respectively.

10. Debtors

	2025	2024
	£	£
Investment transaction debtors	15,223	70,002
Other debtors	14,584	21,469
	29,807	91,471

11. Creditors: amounts falling due within one year

	2025	2024
	£	£
Social security and other taxes	830	98
Other creditors	-	2,850
Accruals and deferred income	45,401	44,176
	46,231	47,124

12. Called Up Share Capital

	2025	2024
	£	£
Authorised		
10,000,000 Ordinary Shares of 25p	2,500,000	2,500,000
Allotted, called up and fully paid		
2,157,881 Ordinary Shares of 25p	539,470	539,470

13. Financial Instruments

The Company's financial instruments comprise equity investments, cash balances and debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement.

The major risks associated with the Company are market, credit and liquidity risk. The Company has established a framework for managing these risks. The Directors have guidelines for the management of investments and financial instruments.

Market Risk

Market price risk arises mainly from uncertainty about future prices of financial investments used in the Company's business. It represents the potential loss the Company might suffer through holding market positions by way of price movements other than movements in exchange rates and interest rates.

The Company's investment portfolio is exposed to market price fluctuations which are monitored by the Investment Manager who gives timely reports of relevant information to the Directors.

Adherence to the Investment Objective and the internal controls on investments set by the Company mitigates the risk of excessive exposure to any one particular type of security or issuer.

The Company's exposure to other changes in market prices at 31 December on its investments is as follows:

A 20% decrease in the market value of investments at 31 December 2025 would have decreased net assets attributable shareholders by 33 pence per share (2024: 37 pence per share). An increase of the same percentage would have an equal but opposite effect on net assets attributable to shareholders.

Market risk also arises from changes in interest rates and exchange risk. All of the Company's assets are in sterling and accordingly the Company has limited currency exposure. The majority of the Company's financial assets are non-interest bearing, as a result, the Company's financial assets are not subject to significant risk due to fluctuations in the prevailing levels of market interest rates.

The carrying amounts of financial assets best represent the maximum credit risk exposure at the balance sheet date. Bankruptcy or insolvency of the custodian may cause the Company's rights with respect to securities held with the custodian to be delayed.

Liquidity Risk

Liquidity Risk is the risk that the Company may have difficulty in meeting obligations associated with financial liabilities. The Company is able to reposition its investment portfolio when required so as to accommodate liquidity needs. However, it may be difficult to realise its investment portfolio in adverse market conditions.

Maturity Analysis of Financial Liabilities

The Company's financial liabilities consist of creditors as disclosed in note 11. All items are due within one year.

Capital management policies and procedures

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern;
- to provide an adequate return to shareholders;
- to support the Company's stability and growth;
- to provide capital for the purpose of further investments.

Notes to the Financial Statements

For the Year Ended 31 December 2025 (continued)

The Company actively and regularly reviews and manages its capital structure to ensure an optimal capital structure, taking into consideration the future capital requirements of the Company and capital efficiency, projected operating cash flows and projected strategic investment opportunities. The management regards capital as total equity and reserves, for capital management purposes.

Fair values of financial assets and financial liabilities

Fixed asset investments (see note 9) are valued at market bid price where available which equates to their fair values. The fair values of all other assets and liabilities are represented by their carrying values in the balance sheet.

	2025	2024
	£	£
Fair value through profit or loss investments	3,554,783	3,927,180

Financial instruments by category

The financial instruments of the Company fall into the following categories

31 December 2025

	At Amortised Cost	Assets at fair value through profit or loss	Total
Assets	£	£	£
Investments	-	3,554,783	3,554,783
Debtors	24,597	-	24,597
Cash at bank	118,191	-	118,191
Total	142,788	3,554,783	3,697,571
Liabilities			
Creditors	45,401	-	45,401
Total	45,401	-	45,401

31 December 2024

	At Amortised Cost	Assets at fair value through profit or loss	Total
Assets	£	£	£
Investments	-	3,927,180	3,927,180
Debtors	91,471	-	91,471
Cash at bank	43,669	-	43,669
Total	135,140	3,927,180	4,062,320
Liabilities			
Creditors	47,026	-	47,026
Total	47,026	-	47,026

Fair value hierarchy

In accordance with FRS 102, the Company must disclose the fair value hierarchy of financial instruments.

The fair value hierarchy consists of the following three classifications:

Classification 1 – Quoted prices in active markets for identical assets or liabilities.

Quoted in an active market in this context means quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Classification 2 – The price of a recent transaction for an identical asset, where quoted prices are unavailable.

The price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If it can be demonstrated that the last transaction price is not a good estimate of fair value (e.g. because it reflects the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distress sale), that price is adjusted.

Classification 3 – Inputs for the asset or liability that are based on observable market data and unobservable market data, to estimate what the transaction price would have been on the measurement data in an arm's length exchange motivated by normal business considerations.

The Company only holds classification 1 investments (2024: classification 1 investments only).

14. Net Asset Value per Share

The net asset value per share is based on net assets of £3,554,783 (2024: £4,015,196) divided by 2,157,881 (2024: 2,157,881) ordinary shares in issue at the year end.

	2025	2024
	£	£
Net asset value per share	169.5p	186.1p

15. Related Party Disclosures

During the year the following dividends were paid to the Directors of the Company as a result of their total shareholding:

Dr E C Pohl AM	£8,600[1]
Simon Moore	£6,750
Frank Ashton	£ 223

The Company engaged the services of EC Pohl & Co Pty Ltd as the Investment Manager in January 2025. The Company moved from a monthly fee payable for the Investment Management services performed by Dr Manny Pohl to an annual performance fee payable annually in arrears during the year the performance fee payable was Nil.

Notes:

1. Manny Pohl's relationship with EC Pohl & Co Pty Ltd is described in Note 1 to the table of Directors' interests on page 26. During the year dividends amounting to £8,600 were paid to EC Pohl & Co Pty Ltd.

Officers and Financial Advisors

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