

POSTAL FAMILY FUND
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

FRIENDLY SOCIETY WITH CHARITABLE STATUS
REGISTERED NUMBER 37 / BEN

POSTAL FAMILY FUND
OFFICERS, TRUSTEES AND ADVISORS
FOR THE YEAR ENDED 31 DECEMBER 2025

OFFICERS AND TRUSTEES:

A TURRELL	Chairperson
H ROBB	Deputy Chairperson
D DEVINE	Honorary Treasurer
D POOLE	Trustee
A BUCHAN	Trustee
J DEERE	Trustee
R McAULEY	Trustee
J POWELL	Trustee
T HYDE	Trustee

SECRETARY: L CHINNAKONE

CHARITY REGISTERED NUMBER: 37 / BEN

REGISTERED OFFICE: ROYAL MAIL
MOUNT PLEASANT
185 FARRINGDON ROAD
LONDON
EC1A 1AA

AUDITORS: R.E.JONES & CO.
132 BURNT ASH ROAD
LONDON
SE12 8PU

INVESTMENT MANAGER: CAZENOVE CAPITAL MANAGEMENT
1 LONDON WALL PLACE
LONDON
EC2Y 5AU

BANKERS: BARCLAYS BANK PLC
LEICESTER
LE87 2BB

POSTAL FAMILY FUND

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POSTAL FAMILY FUND

REPORT OF THE OFFICERS AND TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2025

The Officers and Trustees present their report and the audited financial statements of the Institution for the year ended 31 December 2025.

The Postal Family Fund (formerly Post Office Orphans Benevolent Institution) is registered as an exempt charity. The Post Office Orphans Benevolent Institution (POOBI) was established in 1870 as a Friendly Society and celebrated its 150th anniversary in 2020. It formally rebranded to be known as the Postal Family Fund (PFF) in early 2023.

STATEMENT OF OFFICERS AND TRUSTEES' RESPONSIBILITIES

The Officers and Trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Postal Family Fund (PFF) and the net movement in funds for that period. In preparing those financial statements, the Officers and Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Officers and Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of PFF, and to enable them to ensure that the financial statements comply with the Charities Act 2011, the latest Charity SORP and other relevant legislation. They are also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors will be proposed for appointment at the next available general meeting.

OBJECTIVES AND ACTIVITIES

The Postal Family Fund (PFF) is a Friendly Society regulated by the Financial Conduct Authority (FCA) and has charitable status. Under current regulations it is an exempt charity in that it does not have to submit returns or accounts to the Charity Commission, but instead is regulated by the FCA to which returns and accounts are provided. The accounts are subject to a full annual, external, professional audit and comply with the relevant standards of accounting and reporting practices.

PFF is a grant-making organisation, which receives grants and donations (from Royal Mail and Post Office Ltd employees and other bodies and people) and utilises an investment portfolio to generate income from which grants and bursaries can be made to individuals and families.

PFF exists to help relieve challenging family circumstances that impact children of Royal Mail and Post Office Ltd staff. This can be in the form of additional financial support for the family or helping their child to access education, training or opportunities for advancement in life. PFF provides support to beneficiary families spread right across the United Kingdom.

PFF will consider applications for help from employees of Royal Mail Group Ltd, Post Office Ltd or those in receipt of a pension from Royal Mail Group or former employees of The Post Office Corporation or Consignia Ltd and whose pensions are paid under the Statutory Pensions scheme set up for certain pensioners of the former Post Office Corporation or Consignia Ltd. The Trustees may also consider applications from those whose employment from Royal Mail or Post Office Ltd was ceased under medical severance terms within the past two years (and subject to certain conditions).

POSTAL FAMILY FUND

REPORT OF THE OFFICERS AND TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2025

THE YEAR 2025 in BRIEF (2024 in brackets)

- 2025 was another record year of charitable giving for the Postal Family Fund (PFF) with direct charitable expenditure for 2025 reaching £592,024 (£565,148).
- We have continued to increase the reach and awareness of our brand through our interactive website, dedicated Workvivo and Facebook social media pages, PFF newsletters and greater exposure to Royal Mail's internal communication channels. We had a record number of website visits this year (8.8K). This translated into high numbers of eligible applications for our schemes, including 235 University Bursary applications and 60 Rising Star applications.
- 39 families as of July 2025 (67 in July 2024) were receiving our Family Support Grants. This is regular, financial help to alleviate challenging family circumstances such as illness or disability in the family, or an unexpected event, accident or trauma, any of which result in a change in financial circumstances.
- A record number of 224 young students (218 in 2024) were being helped by a PFF university bursary at the end of the year.
- 13 apprentices (8 in 2024) were supported with apprenticeship bursaries throughout the year to fund their apprenticeship expenses such as travel, or specialist equipment required for work.
- 57 children (54 in 2024) were awarded PFF Rising Stars bursaries in 2025 to help achieve their potential in the areas of sport, music, dance, or other arts.
- 9 children (15 in 2024) were awarded Duke of Edinburgh Award bursaries to help them to afford the equipment needed to undertake their Duke of Edinburgh Award expeditions or to help them cover the costs of the residential section of the Gold Award.
- PFF continues to expand the types of support it offers postal families. In 2025, PFF ran the second year of its Home Laptop Grant pilot to selected families already receiving PFF support. This provides laptops to families with school age children who do not currently have access to a suitable device at home to support school learning. In 2026, this grant will be launched to a wider pool of families.
- In 2025, PFF also trialled a specialist technology grant scheme to support children who need a high level of support with education, learning, listening, speaking or understanding. This grant funds technology for families that has the potential to impact their child's quality of life and/or change educational outcomes. In 2026, this grant will be piloted for another year.
- Over the next few years, Postal Family Fund aims to continue to grow its charitable giving spend, supporting new families and increasing the value of grants in line with inflation. PFF will also continue to offer a wide range of support options to postal families.
- The proportion of total expenditure (excluding portfolio management costs) that was used for direct charitable activities was 89p in the £1 (2024: 89p, 2023: 90p). We are constantly mindful of maximizing the impact of our money.
- PFF received total gross incoming resources of £336,148 (£346,010) before costs of managing the portfolio. Our investment portfolio pays a sustainable distribution to fund charitable expenditure (targeting 4% total return distribution smoothed over the previous three years). Income is supplemented by realised assets to attain the total expenditure level.
- PFF's portfolio of investments opened the year at a valuation of £6,947,573 and ended the year at £7,088,029. Our fund performance for the year was +11%, helped by optimism around easing monetary policy as major central banks signalled rate cuts for 2026, inflation showing signs of stabilising, and largely positive corporate earnings. This marks the third consecutive year that markets have ended on a high.
- The successful relationship with the Civil Service Insurance Society (CSiS) Charity Fund continued and PFF received £15,000 (2024: £12,000) to support its charitable work.
- PFF were delighted to receive another record grant of £35,000 (2024: £35,000) from the Postal Remembrance Fellowship Fund to help provide more bursaries for postal family children.
- PFF also gratefully received several donations including from His Royal Highness, The King, from Commsave and from the postal community.
- The volume of members continued to decrease to 792 (2024: 829), raising £15,476 of membership income. In 2025 we introduced a biannual membership newsletter to showcase the impact that membership donations were making. We attracted a small number of new members but not enough to offset the volume of members leaving the business.
- PFF administration costs increased slightly due to wage inflation and slightly increased marketing spend.

POSTAL FAMILY FUND

REPORT OF THE OFFICERS AND TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2025

THE TYPE OF HELP WE CAN OFFER

FAMILY SUPPORT GRANTS

Traditionally PFF has supported families who face challenging circumstances which impact upon the children in the household. This might be due to illness or disability in the family, or an unexpected event, accident or trauma, any of which result in a change in financial circumstances. In 2025 to reflect the increased cost of living, these grants were increased to either £1,640 (one child) or £1,880 (for two or more children) per year. These amounts will increase again in 2026 to either £1,720 or £1,960 per year. These are paid quarterly in equal installments directly into beneficiaries' bank accounts. Grants are normally made for a period of two years, but further grants can be made subject to a normal maximum period of eight years. At the end of 2025 we were supporting 33 families with regular family support grant payments. Where family support grants may not be suitable for a family in need, we may look to support them with a David Chapman Discretionary Grant. This could be in the form of IT equipment, supermarket food vouchers, payments made directly to suppliers or one-off financial support. We supported 12 families in this way in 2025.

BURSARIES

PFF believes that our bursary schemes give children an improved opportunity to be successful in their ongoing education and in turn careers. For many parents, the prospects of sending a child(ren) to university or supporting them with an apprenticeship, specialist equipment or coaching, is financially very daunting. In some cases, a bursary award will be the difference between the opportunity to realise their potential and achieve career ambitions, or not. We now have 4 bursary schemes: University Bursaries, Apprenticeship Bursaries, Rising Stars and Duke of Edinburgh Award bursaries.

In 2025 we ran a second year of our pilot scheme to provide home laptops to those families with school age children who do not currently have access to a suitable device at home to support school learning. 22 laptops were provided, totalling £8k. We also trialled a specialist technology grant scheme to provide children who need a high level of support with education, learning, listening, speaking or understanding with devices that have the potential to impact their quality of life and/or change educational outcomes. 9 children were supported in this way, totalling £9k. Both pilots were offered to families already receiving some form of PFF support.

1. University Bursaries

These bursaries are for a young person under the age of 20 (as of 1st September in the year of entry) who has taken up or is offered a place at a UK University for a First-Degree course or equivalent. As of 1st September 2025, the bursaries were worth £2,000 per year, normally for three years (paid in 2 equal instalments per year). There is an additional one-off Brian Thomson grant available of up to £600 for first-year students who need help with start-up costs such as a laptop or course materials. Bursary applications can be made for a student who is already at university, for example starting their second or third year but there will be no retrospective payment for the previous years. In Autumn 2025 we awarded 90 new bursaries, and, at the end of 2025, we were helping 224 young people study at university.

2. Apprenticeship Bursaries

These bursaries are to help minimum wage or low wage apprentices (aged 21 or under) cover their apprenticeship expenses such as travel or specialist equipment. PFF will give £500 for every 6 months of the apprenticeship contract up to a maximum of £1,000. 10 new apprenticeship bursaries were granted in 2025 to support students who are seeking an alternative to university to gain experience and knowledge before their career begins.

3. Rising Stars Bursaries

These are designed for younger children (up to the age of 18) who show talent potential in areas such as; drama, music, dance (ballet or modern), film or sport and who would benefit from specialised coaching or who need to attend auditions or competitions (sometimes far from home) or who need specialised equipment or clothing for their activity, and where the family cannot or would struggle to provide these facilities. These are one-off grants worth up to £850 per child, capped at £1,500 per household. A total of 57 children were supported, totalling £44,080.

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4. Duke of Edinburgh Award Bursaries

The Duke of Edinburgh Award Bursary is to support postal children aged between 14 and 18 who have signed up to the Duke of Edinburgh award. This year the bursary could be used to cover the cost of the Residential Section of the Gold Award or to pay for necessary equipment for the Award Expedition (Bronze, Silver or Gold). Bursaries are granted up to £400. 9 awards were granted in 2025 at a total cost of £2,500.

HOW WE DELIVER GRANTS AND BURSARIES

For cases of family support (challenging circumstances) grant applications, the Fund Administrator of PFF considers the application, applies the criteria set by the Trustees of PFF in coming to a decision, and then processes the payment. This ensures that eligible beneficiaries receive their grants quickly and without fuss. In case of doubt the case is referred to the Business Secretary of PFF. All of these cases are then reviewed half-yearly by an experienced Trustee of PFF and any issues discussed. Ultimate responsibility for all such grants rests with Trustees. Payments are processed securely via the Royal Mail Finance Department.

PFF also holds a **discretionary fund** which can be used to make payments to suppliers or direct to beneficiaries in exceptional cases of hardship. These are proposed by the Fund Administrator, agreed by the Business Secretary and then approved by an experienced Trustee of PFF. The discretionary fund is named the 'David Chapman' discretionary fund in honour of our late chairman. The fund is capped at £15,000 a year. Depending on timing, these payments may be processed securely via the Royal Mail Finance Department or directly to the family or supplier by the Business Secretary with dual authorisation from the Chair.

For university bursaries, the number of applications consistently exceeds the number that is available. Therefore, trustees use an analytical assessment methodology to securely and independently score each application on-line and thereby produce a numerical, 'merit' list from which the awards are then taken in descending order of the score until the budget set for this type of bursary is fulfilled. The Business Secretary collates the results, which are then considered and discussed by a sub-committee of trustees. In this way marking ranges are identified and standards moderated. Trustees believe this provides strong evidence of the objectivity and fairness of the process. Once approvals are made, case papers are passed to the Fund Administrator to obtain evidence of postal worker employment/pension and evidence of university registration. Payments are then processed securely via the Royal Mail Finance Department.

For **apprenticeship bursaries**, the application is reviewed by the Business Secretary and an experienced trustee. Once approval is made, the Fund Administrator obtains evidence of postal worker employment/pension and evidence of apprenticeship employment and attendance. Payments are then processed securely via the Royal Mail Finance Department.

For **Rising Star awards**, the application is reviewed by the business secretary and an experienced group of trustees. Once approval is made, the Business Secretary obtains evidence for what the award will be spent on and makes the payment with dual authorisation from the Chair. For **Duke of Edinburgh bursaries**, the application is reviewed and approved by the Business Secretary and an experienced trustee. Once approval is made, the Business Secretary obtains evidence for what the award will be spent on and makes the payment with dual authorisation from the Chair.

For the pilot schemes of the **Home Laptop Grant** and the **Specialist Technology Grant**, the need for the technology devices must be verified by the student's school or SEN co-ordinator before approval is made. Payments are made to the supplier with dual authorisation.

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GOVERNANCE AND ADMINISTRATION

PFF continues to work effectively and efficiently. Both salaried members of staff (Business Secretary, and Fund Administrator) worked on a part-time basis throughout 2025 (contracted to a total of 37.5 hours per week between them). The Business Secretary is now also responsible for the marketing tasks of the charity.

The PFF Chairperson, Treasurer and Trustees regularly give considerable amounts of pro-bono personal time, not only in terms of attending meetings, but also assisting with bursary selections, grants process auditing, and interfacing with our investment managers and other advisors. No remuneration was paid to Trustees in the year. However, Trustees are reimbursed for travel expenses in respect of their formal trustee duties. PFF has no other volunteer activity.

The Trustees would also like to express their appreciation for the help PFF receives from HR Services in Pond Street Sheffield who provide the Royal Mail Helpline and assist families to complete applications for family support grants and provide a professional and detailed report to assist the Trustees in their decision making. In terms of formal location, Royal Mail provides us with accommodation, office services and IT facilities within Royal Mail Mount Pleasant LONDON EC1A 1AA. We are very grateful to Royal Mail for this help.

PFF advertises its grants and services through a mix of offline and online marketing channels. This includes a dedicated website (www.postalfamilyfund.org) and PFF newsletter, Facebook and advertisements, articles, and inserts in the staff magazine (Courier). Alongside its own marketing channels, PFF also promotes itself and its services through Royal Mail TV, Royal Mail intranet and Royal Mail Workvivo (social media channel). By the end of 2025, Postal Family Fund website had received 8.8K visits in that year (2024: 7.6K) and 709 people were subscribed to the newsletter (2024: 514).

HOW WE FUND OUR WORK

Donations and legacies

In 2025 our members gave us £15,476 (2024: £15,019). We are still seeing a decline in our overall membership base as older members continue to leave the business. Our income figure contains 13 months of income received from Charities Trust and would be a decline of 4% on a like for like basis. This year, we circulated an exclusive biannual members' newsletter to deepen our relationship with supporters and showcase the difference that their donations are making to postal families. In 2025, we recruited a small number of new members, but it is not enough to offset the overall decline in membership from 829 at the end of 2024 to 792 at 31st December 2025.

Grants received from external sources

We have been very fortunate in being invited to apply again to the Civil Service Insurance Society (CSiS) Charity Fund and the Post Office Remembrance Fellowship Fund (PORF) for funding towards our various activities. In 2025 we received a grant for £15,000 (2024: £12,000) from CSiS. Although it was not restricted, the money has allowed us to support a record number of university students this year. We are very grateful for CSiS's continued help and have thanked them in our university bursary acceptance letters, across Royal Mail's Workvivo, our social channels and our website. We were delighted to receive another record £35,000 (2024: £35,000) from PORF to support our activities. Although it was not restricted, this funding allowed us to continue with our Duke of Edinburgh bursary and to provide a record number of Rising Star bursaries to children with talent and potential. Our internal promotional material, website and social channels acknowledge the exceptional support given to us by PORF, and we are very grateful for their continued help. PORF are now winding up their operations and we would like to thank them for all their support over recent years.

PFF also gratefully received donations from His Royal Highness, The King, from Commsave and from the postal community to support our work.

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FOR THE YEAR ENDED 31 DECEMBER 2025

Financial assets

Trustees take care to ensure assets are managed professionally and regularly reviewed. Trustees operate to an agreed and published Statement of Investment Principles (SIP) to underpin their approach. Its primary objective is to strike a balance between maximising distributions and maintaining a healthy investment portfolio which will allow us to continue to support beneficiaries over the long term. PFF takes income both from the assets held and a 'draw down' on capital to achieve its annual operating objectives. We may distribute more than investment returns on an annual basis where worthwhile projects can be identified and where we need to react to environmental circumstances (e.g. cost of living increases). We recognize that this means that the real capital value of investments may decrease over time. We review our SIP every 3 years.

The assets are invested in Cazenove's highly diversified Charity Sustainable Multi-Asset Fund. The Fund is designed for charities who want to align their investments with their charitable mission and invest for a better future. The intention is for the Fund to have a positive impact on people and the planet by avoiding harm through ESG integration and exclusions, benefiting stakeholders through responsible business activities, and contributing to solutions through influence and investing for impact. The Fund has a target return of Inflation (CPI) +4% per annum over rolling ten-year periods with distribution units paying a total return target distribution of 4% per annum. This fund is independently regulated by the FCA and is overseen by the Charities Commission.

The contract with Cazenove is overseen by an Investment Sub-Committee of Trustees which comprises the Treasurer, the Chair, the Business Secretary, and one other experienced Trustee. Fund performance is formally reviewed twice during the year, with regular reporting back to the full board of Trustees. On-line valuation services also allow Trustees to access the performance information at any time.

2025 started the year with considerable global equity volatility in the face of Trump's tariff announcements. However, markets showed resilience and both equities and bonds were up over the 12-month period. Strong technology results explain much of the improvement, but not all of it: financial services and consumer discretionary companies have also been driving results. Many international markets performed strongly, as economies position themselves for a world in which America plays a less supportive role. Our fund performance reached +11% for the year, meaning PFF's investment fund ended the year at a value of £7,088,029 (total funds carried forwards).

Benefits in kind

We would like to thank Royal Mail who provide us with accommodation, office services and IT facilities. We have valued these facilities in 2025 at £30,000 (£30,000 in 2024) and the valuation has been made in accordance with the Charity SORP based on an alternative with equivalent benefit.

RISK. Risk is managed under a number of headings.

Volume of members have been falling gradually in recent years as long-standing members have left Royal Mail and Post Office Ltd employment and new joiners have been smaller in number and appear to have been less aware of the Fund. However, PFF's website and newsletter alongside work to create greater awareness through Royal Mail's internal communications channels should help us to attract new members. We have introduced a biannual members' newsletter and will focus on attracting new members in 2026.

Investments and financial risk. Risk here is defined as the variability of returns, or volatility of returns. PFF adopts a prudent approach managing financial risk using professional external fund management, setting asset allocation and risk preferences and measuring the performance against a set of targets. The assets must be properly diversified, ethical and in such a way as to avoid excessive risk concentration in the portfolio as a whole. PFF has also specified a strategic cash holding within the portfolio, which ensures that capital drawdowns do not have to be made at short notice to meet grant making needs, at times when market conditions might be unfavourable to asset disposals. As our charitable giving has increased, so we have increased the cash holding available to us.

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Operational risk. Family support (challenging circumstances) grants are made for a maximum period of two years (subject to formal review) and university bursaries usually for three. Trustees are satisfied that they have sufficient assets and liquidity to meet these obligations. Contractual commitments are limited to three months for the employment contracts of paid employees. The Cazenove contract could be terminated with one quarter's notice (fees being debited from the funds held and from income account).

Payment of Family Support Grants. Payments of quarterly family support (challenging circumstances) grants are made on behalf of the Trustees via Royal Mail cashiers who make the payments direct to beneficiary bank accounts. The payment schedule is checked by the PFF Fund Administrator and Business Secretary, and a Trustee carries out a half yearly audit of the processes.

Payment of University and Apprenticeship Bursary Grants. University and apprenticeship bursary grants are authorised by PFF trustees and then payments made via Royal Mail Cashiers direct to beneficiary bank accounts. A schedule of payments is prepared by the Fund Administrator and copied to the Business Secretary who then checks this list against the list of awards made by PFF Trustees. The PFF Fund Administrator is then responsible for ensuring that beneficiaries comply with the terms and conditions of the bursary and if necessary, payments can be withheld or suspended. All decisions relating to the cessation of a grant must be referred to the PFF Business Secretary. Records of payments made are also kept in line with the HMRC Common Reporting Standard.

Payment of Rising Stars and Duke of Edinburgh Bursaries. Payments are currently made directly by PFF. The Business Secretary is responsible for ensuring compliance with terms and conditions. All payments are now made via bank transfer and require the dual authorisation of the Business Secretary and either the Chair, Treasurer or Fund Administrator. As these grants are stand-alone without any ongoing commitment they can be readily "switched off" if necessary, depending upon the level of available funds.

GDPR. A previous exercise was completed under the guidance of the RM GDPR team and all necessary procedures and checks have been implemented to ensure PFF is data management compliant. A formal review of PFF's Records Retention Policy, Privacy Policy and Data Protection Policy was undertaken by Trustees in 2025 and updated policies can be found on the PFF website.

Fraud Prevention. PFF operates a system of dual authorisation for all other payments. Management accounts are prepared for each Trustee meeting and a full audit process by professional external auditors is adopted. Instructions to Cazenove must also be signed off by either the Chairman or Treasurer and the Business Secretary. Pay and pension arrangements for the paid employees are reviewed and confirmed annually in writing by Trustees, with payroll delivery performed off site by PFF's professional accountants. The paid employees are enrolled into the Government National Employment Savings Trust (NEST) pension scheme. All tax and National Insurance contributions are paid in accordance with current PAYE legislation. All contracts must be approved by at least two Trustees and then endorsed by the full Trustee meeting. Principally, this applies to the contract with Cazenove and the appointment of PFF's auditors.

Regulatory costs. PFF is regulated by the Financial Conduct Authority (FCA).

Cost of Generating Funds from Investments. Fees are incurred within the portfolio for managing the investments made, transactions executed (sales and purchases) and the general platform on which assets are held. These costs are expected but are monitored by the Auditors to ensure transparency in our accounts. In 2025 fees were identified as £7,988 (2024: £8,218) and were inclusive of VAT. (Note: treatment of investment management fees as fundraising costs is in accordance with the relevant Charity SORP).

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Accounting and audit. Messrs R E Jones & Co Chartered Accountants were employed to provide a full audit of accounts. Their fees were £3,240 (inclusive of VAT) for the audit.

This report was approved by the Officers and Trustees, and signed on its behalf:

..... SECRETARY

..... TREASURER

..... TRUSTEE

May 2026

POSTAL FAMILY FUND
INDEPENDENT AUDITOR'S REPORT
TO THE OFFICERS AND TRUSTEES OF THE INSTITUTION
FOR THE YEAR ENDED 31 DECEMBER 2025

Opinion

We have audited the financial statements of the Postal Family Fund for the year ended 31 December 2025, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 Institution's affairs as at 31 December 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Friendly Societies Act 1974 and the Charity *SORP FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 institution in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the institution's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

POSTAL FAMILY FUND
INDEPENDENT AUDITOR'S REPORT
TO THE OFFICERS AND TRUSTEES OF THE INSTITUTION
FOR THE YEAR ENDED 31 DECEMBER 2025

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 officers and trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Charities Act 2011 & Friendly Societies Act 1974

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the institution and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters where the Charities Act 2011 and Friendly Societies Act 1974 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the officers and trustees were not entitled to prepare the financial statements in accordance with the small company regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of officers and trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the institution or to cease operations, or have no realistic alternative but to do so.

POSTAL FAMILY FUND
INDEPENDENT AUDITOR'S REPORT
TO THE OFFICERS AND TRUSTEES OF THE INSTITUTION
FOR THE YEAR ENDED 31 DECEMBER 2025

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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:

Capability of the audit in detecting irregularities, including fraud

The objectives of the audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the institution and industry, and through discussion with the officers and trustees and other management (as required by auditing standards), we identified that the potential risks of non-compliance with laws and regulations related to health and safety, anti-bribery and data protection. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to inappropriate transactions to increase income or reduce expenditure, together with management bias, in accounting provisions.

Audit procedures performed by the engagement team included:

- . Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- . Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- . Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- . Identifying and testing journal entries, in particular and manual entries made at the year end for the financial statements.

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

POSTAL FAMILY FUND
INDEPENDENT AUDITOR'S REPORT
TO THE OFFICERS AND TRUSTEES OF THE INSTITUTION
FOR THE YEAR ENDED 31 DECEMBER 2025

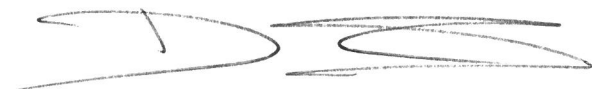
As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- . Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- . Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- . Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the officers and trustees.
- . Conclude on the appropriateness of the officer's and trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the institution's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the institution to cease to continue as a going concern.
- . Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This Report is made solely to the Institution's officers and trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that act. Our audit work has been undertaken so that we might state to the Institution, those matters we are required to state to them in an auditor's report, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Institution and the officers and trustees as a body, for our audit work, for this report, or for the opinions we have formed.



132 Burnt Ash Road
Lee
London
SE12 8PU

May 2026

DARREN SMART
For and on behalf of
R E JONES & CO
Chartered Accountants
& Statutory Auditors

POSTAL FAMILY FUND
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2025

	<u>Notes</u>	2025		2024	
		£	£	£	£
<u>INCOMING RESOURCES</u>					
Members' Subscriptions			15,476		15,019
Donations and Appeals			2,540		401
Grants			50,000		47,000
Investment Income			268,132		283,590
Total Incoming Resources			336,148		346,010
 <u>RESOURCES EXPENDED</u>					
Direct Charitable Expenditure	3	592,024		565,148	
 <u>OTHER EXPENSES</u>					
Administration Expenses	4	70,619		67,972	
Cost of Generating Funds	5	7,988		8,218	
Total Resources Expended			670,631		641,338
Net Incoming Resources			(334,483)		(295,328)
 <u>OTHER RECOGNISED GAINS & LOSSES</u>					
Gains / (Losses) on investments:					
Investments sold		61,657		69,662	
Increase during the year of:					
Investments sold		14,643		16,309	
Investments held		379,008		186,499	
			455,308		272,470
Net Movement in Funds			120,825		(22,858)
Total Unrestricted Funds Brought Forward			7,000,559		7,023,417
Income Allocated to Restricted funds			-		-
Restricted Funds Expended			-		-
Total Unrestricted Funds Carried Forward			7,121,384		7,000,559

POSTAL FAMILY FUND
BALANCE SHEET
AS AT 31 DECEMBER 2025

	<u>Notes</u>	<u>2025</u>	£	<u>2024</u>	£
<u>FIXED ASSETS</u>					
Investments	7		7,088,029		6,947,573
<u>CURRENT ASSETS</u>					
Debtors	8	42		84	
Cash at Bank and in Hand		40,150		58,647	
		40,192		58,731	
<u>CREDITORS</u>					
Amounts falling due within one year	9	6,837		5,745	
Net Current Assets			33,355		52,986
Total Assets Less Current Liabilities			7,121,384		7,000,559
<u>FUNDS</u>					
Un-restricted Funds	10		7,121,384		7,000,559
Restricted Funds			-		-
Total Funds			7,121,384		7,000,559

Approved by the Officers and Trustees on 07/05/26 and signed on their behalf :-



 OFFICER/TRUSTEE



 OFFICER/TRUSTEE

May 2026

The notes on the subsequent two pages form part of these statutory financial statements.

POSTAL FAMILY FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. ACCOUNTING POLICIES

- (a) Basis of Accounting.
The financial statements have been prepared under the Historical Cost Convention and follow the recommendations in the Statement of Recommended Accounting Practice: Accounting and Reporting by Charities SORP *FRS 102* and UK Accounting Standards and the Charities Act 2011.
- (b) Donations and Gifts.
Income received by way of donations and gifts to the Charity are included in the Statement of Financial Activities when received, unless it relates to a specified period in which case it is deferred.
- (c) Investments.
Investments are stated at market value. Realised and unrealised gains and losses on investments are dealt with in the Statement of Financial Activities.
- (d) Value Added Tax
Value Added Tax is not recoverable by the Charity, and as such, is included in the relevant costs in the Statement of Financial Activities.

2. RECONCILIATION OF NET INCOMING RESOURCES AND TOTAL FUNDS

The Friendly Society considers that no amendment is required to net incoming resources or total funds as a result of adopting the new Charities SORP *FRS 102*.

3. DIRECT CHARITABLE EXPENDITURE

The following grants were made to individuals:	<u>2025</u>	<u>2024</u>
Family Support Grants	67,916	117,965
University Bursaries	443,050	383,200
Rising Star Bursaries	44,080	41,025
Duke of Edinburgh Bursaries	2,500	3,900
Apprenticeship Bursaries	8,450	6,800
Discretionary Grants	9,016	6,822
Home Laptop/Specialist Technology Grants	17,012	5,436
	<u>592,024</u>	<u>565,148</u>

4. ADMINISTRATION EXPENDITURE

	<u>2025</u>	<u>2024</u>
Salaries	60,479	57,804
Auditor's remuneration	2,700	2,500
Book-keeping	809	775
Advertising and marketing	2,560	2,372
Insurance	465	465
Recruitment	-	-
Travel and subsistence	313	338
Legal expenses	-	-
Computer Maintenance & Website Development	2,713	3,218
Sundry expenses	580	500
	<u>70,619</u>	<u>67,972</u>

POSTAL FAMILY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

(continued)

5. COST OF GENERATING FUNDS

	<u>2025</u>	<u>2024</u>
Cazenove management fees	7,988	8,218

6. STAFF COSTS

Average number of persons employed	2	3
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No remuneration was paid to Trustees; however, Trustees are reimbursed travel expenses. One trustee claimed this year for travel and entertaining, totalling £237.

7. INVESTMENTS

The day-to-day management of the investments in the scheme is delegated by the Trustees to Cazenove. Cazenove are responsible for selecting appropriate investments in accordance with the Trustees' statements of investment principles, and for managing the investment portfolio. The investments are designed by Cazenove to reflect the long-term objectives set by the Trustees. All investments are registered in the name of the scheme, and the performance of the investment is reviewed at regular trustees' meetings.

	<u>Shares Held</u>	<u>Cost</u>	<u>Market Value</u>
		£	£
SUTL Cazenove Charity Responsible	11,024,471	5,439,047	6,712,800
JP Morgan Sterling Liquidity	25	287,312	294,097
Listed Investments		<u>5,726,359</u>	<u>7,006,897</u>
Add Cash Funds			81,132
Add Accruals			-
			<u>7,088,029</u>

8. DEBTORS

	<u>2025</u>	<u>2024</u>
Others	42	84
	<u>42</u>	<u>84</u>

POSTAL FAMILY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

(continued)

9. CREDITORS

	<u>2025</u>	<u>2024</u>
Auditors Remuneration	3,240	3,000
Management Fees	2,071	2,068
Others	1,526	677
	6,837	5,745
	6,837	5,745

10. FUNDS

	<u>2025</u>	2024
Unrestricted funds at Y/E in Balance Sheet	7,121,384	7,000,559
Of which the following are designated for spending:		
- University Bursary commitments	(602,800)	(612,975)
- Family Support Grant commitments	(44,178)	(60,105)
- Apprenticeship Bursary commitments	(2,500)	(2,000)
Total 'free' funds	6,471,906	6,325,479
	6,471,906	6,325,479

Our designated funds are the value of money that we will need to fulfil any multi period payments. Family support (challenging circumstances) grants are made for a maximum period of two years and university bursaries usually for three. Apprenticeship bursaries are made for a maximum of one year, but our commitment may fall across year end into the following year's accounting period.

POSTAL FAMILY FUND
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2025

	<u>2025</u>		<u>2024</u>	
	£	£	£	£
<u>FEES RECEIVED</u>				
Members' Subscriptions	15,476		15,019	
Donations and Appeals	2,540		401	
Grants	50,000		47,000	
Other income	-		-	
Investment Income	268,132		283,590	
	336,148		346,010	
 <u>Direct Charitable Expenditure</u>				
Grants and Bursaries to Beneficiaries	592,024		565,148	
	(255,876)		(219,138)	
 <u>Administration Expenses</u>				
Salaries and Pension	60,479		57,804	
Auditor's remuneration	2,700		2,500	
Book-keeping	809		775	
Advertising and marketing	2,560		2,372	
Insurance	465		465	
Recruitment	-		-	
Travel and subsistence	313		338	
Legal expenses	-		0	
Computer maintenance and website	2,713		3,218	
Sundry expenses	580		500	
	70,619		67,972	
 <u>Cost of Generating Funds</u>				
Cazenove management fees	7,988		8,218	
	(334,483)		(295,328)	
SURPLUS EXPENDITURE OVER INCOME	(334,483)		(295,328)	

This page does not form part of the Statutory Financial Statements.

