

Yorkshire Building Society Charitable Foundation
(A Company Limited by Guarantee)

Registered Number: 03545437

Registered Charity Number: 1069082

Annual Report and Financial Statements
for the year ended 31 December 2024

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Company Information

Reference and administrative details

Company number	03545437 (Company limited by guarantee)
Charity number	Registered in England and Wales Charity No. 1069082
Trustees (who are also the Directors for the purposes of company law)	E Fuller N Irving L Latibeaudiere L Morgan G Rogers (resigned on 9 May 2024) L Newton (appointed on 17 June 2024)
Secretary	M Smallman (appointed on 1 January 2024) D Colley (resigned on 1 January 2024)
Registered Office	Yorkshire House Yorkshire Drive Bradford West Yorkshire BD5 8LJ
Independent Auditors	PricewaterhouseCoopers LLP Central Square 29 Wellington St Leeds LS1 4DL
Banker	National Westminster Bank plc PO Box 90 1 Market Street Bradford BD1 1EQ

Trustees' Report

The Trustees, as listed on Page 1, who act as directors for the purposes of company law, present their report and audited financial statements for the year ended 31 December 2024.

The Yorkshire Building Society Charitable Foundation ('the Charity' and 'the Company') qualifies as a small company in accordance with S382(3) of the Companies Act 2006 and is therefore exempt from the requirement to prepare a strategic report under S414B of the Companies Act 2006. This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies regime. This report incorporates the Directors' Report as required by the Companies Act 2006.

The registration number of the charity in England and Wales is 1069082.

The address of the principal office of the charity is Yorkshire House, Yorkshire Drive, Bradford, West Yorkshire, BD5 8LJ.

Structure, governance and management

Governing document

The Charity is a company limited by guarantee, incorporated on 7 April 1998 and registered as a charity on 8 April 1998. The Charity was established under a Memorandum of Association which established the objects and powers of the Charity and is governed under its Articles of Association. The Trustees, who are also the members of the Charity, are required to contribute an amount not exceeding £1 in the event of the charitable company being wound up.

The Yorkshire Building Society Charitable Foundation is independent of the Yorkshire Building Society ('the Society').

Appointment of Trustees

The power for the appointment and/or removal of Trustees lies with the Trustees or the Society. On appointment as Trustees, an induction is provided; however, all Trustees should preferably have had or have experience of other charities, voluntary service and/or public service organisations. Trustees register themselves for updates to changes to regulations and best practice from The Charity Commission as well as changes to financial reporting and Company Law requirements. The Trustees are the directors of the charitable company.

None of the Trustees have been paid any remuneration or received any other benefits from employment with the Charity.

Organisation

The Charity has a maximum of five Trustees, the majority of who must not be employed by the Society. The Trustees administer the Charity and meet quarterly, although day-to-day responsibility for routine administration rests with Society employees. To facilitate effective operations, the Society provides the Charity with facilities and with financial, administrative and technical support as needed by it, under a Framework Agreement between them. The principal activity of the Charity, making donations, is undertaken in accordance with the Donations Policy adopted by the Charity and within guidelines as agreed periodically by the Trustees.

The Trustees are the only persons authorised by the Charity to make any payments on its behalf and they do so within authorisation levels agreed in the mandate with the Charity's bankers.

Trustees' Report (continued)

Structure, governance and management (continued)

Organisation (continued)

Applications for support are made through the submission of an online form. All nominations and requests are reviewed by the administrative personnel of the Society who are charged with undertaking support for the Charity under the Framework Agreement as referred to above.

This review is to ensure that, amongst other things, the application fits within the Charity guidelines which are published to Society colleagues and are available to the public through Society branches, online or direct from the administrative personnel. These guidelines provide a non-exhaustive list of the types of causes, activities and projects which are likely to be supported and, equally, those which are not.

Related parties

As it is complementary to and supportive of the Charity's objects, the Charity works closely with the Society.

Risk management

The Trustees recognise that the Charity is limited in the objects which it espouses and is closely linked with the Society, and its members and colleagues, in connection with its funding and donation activities. Under the Framework Agreement which exists between the Society and the Charity, Society personnel and systems are provided subject to and in accordance with the processes and procedures which the Society, as a building society regulated by the Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA), must and does maintain. Since it operates entirely within Society premises and utilises Society facilities, the Charity is subject to the same risks faced by the Society in those aspects of its operations. Key elements in the management of financial risk are the adoption of the Donations Policy, which the Trustees review on an annual basis, the mandates which the Trustees set for donations and operation of the Charity's bank accounts and the setting of a Reserves Policy and its review by the Trustees. Other key risks, such as the risk of financial fraud, are managed by the Society colleagues under the controls framework and policy. The Trustees therefore believe all major risks are being appropriately managed.

Going concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they have adopted the going concern basis of accounting in preparing the annual financial statements.

The external environment has begun to show signs of stabilising after a challenging few years. Inflation has reduced from the highs in 2023, Bank Rate has begun to decline and the economy has begun to grow modestly. As in prior years, it is expected that these external factors will continue to have a limited direct impact on the Charity. It is expected that the Charity will continue to receive funding from the Society for at least 12 months from the date of signing these financial statements.

Trustees' Report (continued)

Objectives and activities

The aim of the Charity is to support charities for the public benefit where the Society's members and colleagues live and work, helping to demonstrate the value and support that the Society provides to local communities throughout the United Kingdom.

The Charity's objects are to promote being exclusively charitable according to the law of England and Wales. Charities that receive donations in England and Wales must be registered with the Charity Commission for England and Wales. Charities that receive donations in Scotland must be registered with the Office of the Scottish Charity Regulator (OSCR). Charities that receive donations in Northern Ireland must be registered with the Charity Commission for Northern Ireland.

The objectives of the Charity are to apply the income and/or capital for charitable purposes, and to make donations to UK registered charities in such manner as the Trustees in their absolute discretion see fit.

The Charity aims to help alleviate poverty, improve health, and save lives. The Charity has continued to pursue these objectives by undertaking the primary activity of reviewing grant applications and awarding grants to registered charities that advance these objectives. Donations are made to registered charities recommended by members and colleagues, to help support, sustain or improve services for beneficiaries such as children, the seriously ill, the elderly, the homeless and the disabled in the UK.

In 2024, to ensure that charity was responding to direct needs of the local community, the Trustees agreed to prioritise the Charity's support to charitable organisations:

- whose aims are a strong fit with the Foundation's priorities to alleviate poverty, improve health, and save lives. For example: foodbanks, local disability support charities
- that are based in areas of high deprivation (top 20% of deprived areas in the UK)
- that have an annual income turnover of less than £100k

Prioritising funds enables support to be directed towards areas of deprivation, charities supporting marginalised groups and smaller, grassroots charities to ensure donations make the biggest difference. The Charity's support is limited to the United Kingdom.

The Charity has focused its activities on seeking to help as many charities and causes as possible for the public benefit where those meet its donations criteria as set out above and in the Donations Policy. The Trustees continued to make donations up to the maximum amount of £2,500 on an unrestricted basis, giving the charities greater freedom to spend donations flexibly and where needed, such as, on project or core costs.

Donations are made possible thanks to Society members who take part in the Small Change Big Difference® (SCBD) scheme. In 2024, the Charity donated over £379,959 (2023: £319,008) to 389 (2023: 306) charities. Note 7 discloses all donations approved in the year to charities with an individual value of £2,000 or more. The Charity's donation activities are supported through the activities of Society colleagues and concentrate on charities proposed by the Society's members and colleagues. Utilising the donations policy, the Charity has successfully been able to fund as many eligible nominations as SCBD income allows, showing growth on 2023 figures.

Trustees' Report (continued)

Objectives and activities (continued)

At the end of 2024, 948,000 (2023: 923,000) Yorkshire Building Society accounts were signed up to the SCBD scheme, generating £404,670 (2023: £358,217) for the Fund. Each year the Charity works with the Society to promote through external PR and training of Society colleagues in order to sustain the income stream via the SCBD scheme. Notably, in 2024, there was successful nationwide coverage of the Charity's grant-making. 2024 marked 25 years since the first donation in 1999 and over £10 million donated to charities where Yorkshire Building Society colleagues and members live and work. Continued growth in the scheme's opt-ins throughout 2024 and ongoing promotion indicates a strong position for future grant-making activity.

Despite successful grant-making activity within the year, the Trustees discussed the overall alignment of the Charity with the Society's strategy and considered benefit of having an aligned, concentrated approach in local communities. A strategic review was set in motion to evaluate the future aims, policies and processes of the Foundation. It was agreed that the Donations Policy should be updated to align with wider strategy to bring timely support to the heart of struggling communities. From 2025, the SCBD Fund will be more focused with its aim, supporting charities who are providing urgent support or relief to those experiencing financial hardship, enabling them to address immediate needs. The Fund will continue to give priority to those charities that are based in areas of high deprivation (top 20% of deprived areas in the UK) and have an annual income turnover of less than £100k.

The success of the Fund will be measured by number of charities receiving donations, and the proportion of charities that are grassroots or within the top 20% of deprived areas in the UK.

In addition to the funding received through the SCBD scheme, the Charity received a further £100,000 (2023: £100,000) for the Real Help with Real Life Fund, from the Society. In 2024, the Trustees decided to repurpose the Real Help with Real Life Fund as the Building Bradford Skills Fund, with the funding from both 2024 and 2023 that was unutilised getting repurposed for a total of £200,000.

The development of the Building Bradford Skills Fund is a direct result of the above-mentioned strategic review of the Charity. The district has one of the largest working age populations in the UK, however unemployment rates are higher than the regional and national average. Bradford's working age population also has lower than average qualification levels. And as a location deeply rooted in the Society's history and home to a high proportion of members and colleagues, it will be the focus of the strategic, multi-year grants.

The Building Bradford Skills Fund will support charities that are based in and/or delivering projects to improve job prospects and help local people overcome barriers to employment. Specifically, the Fund will support projects that are delivered in the city's most deprived Wards of Bowling & Barkerend, Bradford Moor, City, Clayton & Fairweather Green, Eccleshill, Great Horton, Little Horton, Manningham, Royds, Tong and Wibsey (as measured in the English Indices of Deprivation 2019).

Trustees' Report (continued)

Objectives and activities (continued)

The Fund will make a small number of grants, between £100,000 and up to a maximum of £500,000 per grant, over three years. The grants covers all project costs, including:

- People – staff salaries and training required to deliver the project.
- Equipment – any equipment you need to deliver this work that is not already in your budget.
- Overheads – including fixed costs, a proportion of rent etc.

Trustees undertook a rigorous application process including framework scoring, roundtable discussion with key stakeholders in the Bradford Community to final Trustee decisions. Key measures beyond overall reach will be established with the successful charities in order to understand the substantial difference the programmes have made.

Factors affecting achievement of the Charity's objectives

The Trustees consider the below factors to have been relevant in the achievement of the Charity's objectives for the year:

Positive Factors	Negative Factors
Improved training of branch and agency staff encouraged customers to opt into the SCBD Scheme, resulting in a year-on-year increase in donations received.	Bank of England rate changes, resulting in interest rate changes which may affect the pence of interest the charity receives per account.
Increased external promotions (including UK wide coverage of charitable donations) during the year, e.g. celebrating the £10 million donation milestone and the charities impacted.	General pressures on income and households which may deter customers from opting into scheme.
Positive publicity following donations made from the recipients of funding from the Charity.	

There are no significant events that have affected the financial performance and financial position of the charity during the reporting period.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the Donation Policy for the year. The Society's members and colleagues (who are spread throughout the UK) are encouraged to nominate charitable causes to receive a donation from the Charity.

Trustees' Report (continued)

Financial review

Achievements and performance

The Charity received income of £1,340,090 (2023: £469,095) and spent £387,519 (2023: £326,208) during the year in line with the Charity objectives. The surplus for the year amounted to £952,571 (2023: £142,887 surplus). This surplus is due to the income related to the Building Bradford Skills Fund. The total funds carried are £1,158,058 (2023: £205,487) available for future expenditure as at 31 December 2024. The surplus for the year increases the reserves of the Charity in line with the Reserves Policy below.

During the year, the Charity made donations of £379,959 (2023: £319,008). These donations align with the Society's own objectives but have been chosen at the discretion of the Trustees of the Charity. All donations were made to charities, and none made to individuals which is in line with the Charity's objectives.

Note 7 of this report includes a list of the charities which received more than £2,000 from the Charity during the year, either as one donation or a few smaller donations.

Reserves policy

It is the policy of the Charity to maintain holding reserves at a level which considers the relative stability of the source of funds and the active management of all donation processes. The Trustees review the Reserves Policy annually and agreed to hold a minimum of £10,000.

Holding reserves are those funds which are unrestricted funds which have not been designated for a particular purpose. The Charity's holding reserves are intended to provide sufficient funds to cover expected administration costs and outstanding commitments.

The only liability recognised by the Charity is the audit fee, which for the year ended 2024 was £7,560 (2023: £7,200) including VAT. The audit fee is currently funded by a donation received from the Society. The £10,000 minimum reserves level is therefore considered sufficient to cover outstanding liabilities.

The Charity maintained a holding reserves level of £158,058 (2023: 205,487), greater than £10,000 during the year.

Funding and investments

The Trustees continue to have the power to invest money in shares, stocks, funds, securities, land, buildings and/or other investments or property, as they think fit. However, it has been their practice to maintain a liquid bank account in order to meet commitments as they fall due, so as to maintain a continuous programme of donations which in turn is matched by an ongoing funding programme, where income is spread over the financial year.

Trustees' Report (continued)

Financial review (continued)

Small Change Big Difference (SCBD)

The Charity receives donations primarily from the SCBD scheme which the Society includes as an optional term in most of its savings and mortgage products. SCBD is a scheme promoted by the Society, under which the holders of savings or mortgage accounts agree to transfer to the Charity an amount equivalent to the pence of interest received on a savings account or rounding up to the nearest pound the pence of interest paid on a mortgage account (never exceeding 99p per year, per account). Members of the Society can opt in or out of the SCBD scheme at any time.

Real Help with Real Life Fund

Supplementary income is received via a donation from the Society to fund the Real Help with Real Life Fund. This fund is set up by the Society to support projects working for those experiencing financial hardship and supporting people with employability skills. The Charity has ultimate control over the approval, whether the donations are in line with the Charity's Donation Policy, and subsequently authorising payment to the charities. The funds donated for the Real Help with Real Life Fund have from 2023 and 2024, totalling £200,000, have been reallocated to the Building Bradford Skills Fund.

Building Bradford Skills Fund

Supplementary income is received via a donation from the Society to fund the Building Bradford Skills Fund. This Fund is set up by the Society to support charities that are based in and delivering projects to improve job prospects and overcome barriers to employment in Bradford. It was decided that fewer, but larger, donations to a specific set of charities over the course of 2025-2027 could have a significant impact with each charity chosen undertaking larger projects with the funds donated. A restricted fund has been established in relation to all donations received into and donated out of this fund (other funds detailed above remain unrestricted). Donations will total £1 million over the lifetime of the fund.

Disclosure of information to the auditors

The Trustees who held office at the date of approval of this Trustees' Report confirm that, so far as they are aware, there is no relevant audit information of which the Charity's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Trustees' Report (continued)

Financial review (continued)

Plans for future years

The Charity plans to continue the activities outlined previously in the forthcoming years, subject to satisfactory funding arrangements and annual reviews of the Donations and Reserves policies.

The Trustees are mindful of the potential for an impact on the Charity's income arising from the current economic climate, but are satisfied that continuing to operate in line with the Reserves Policy will afford the best chance of prudently managing financial resources.

The Charity aims to maintain reserves levels at a minimum of £10,000 over the coming years to ensure the Charity meets any liabilities as they fall due.

The majority of unrestricted funding available to the Charity is generated by the Society's members through the Small Change Big Difference scheme therefore recommendations of charities to receive support are only accepted from members or employees of the Society. This will continue for the foreseeable future.

SCBD

In 2025, the SCBD Fund will implement its updated Donations Policy which aims to support charities providing urgent support or relief to those experiencing financial hardship, to enable them to address immediate needs. The Trustees have authorised introduction of a Donations Framework to ensure removal of bias in decision-making and to maximise alignment to priority criteria whilst having greater impact.

The Trustees will continue to work closely with the Society to develop promotion of the SCBD scheme and to increase number of accounts opted into donate the pence of their interest.

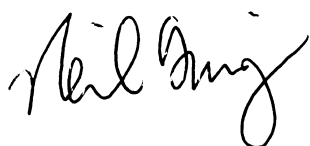
Building Bradford Skills Fund

From 2025-2027 the focus of the Charity will be to support management of successful Building Bradford Skills Fund charities to help them fulfil their objectives. The Charity will work closely with the successful organisations to ensure appropriate governance of funds. Each charity will have ongoing support from Society personnel and systems as well as a dedicated linked trustee. Specific guidance will be given to support development of impact measurement and to navigate any challenges/risks or opportunities to improve employability prospects in Bradford.

The Trustees confirm that the Charity has complied with section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charities Commission.

The Trustees have confirmed their intention to re-appoint PricewaterhouseCoopers LLP as the Charity's auditors.

Approved by order of the Board of Trustees and signed on behalf of the Board.



Signed on behalf of the Trustees:

N Irving

Trustee

24 March 2025

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of Yorkshire Building Society Charitable Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulation.

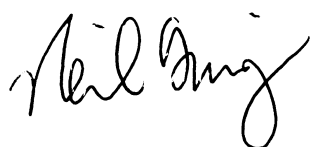
Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, 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 charitable company will continue in business.

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

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



N Irving
Trustee
24 March 2025

Independent auditors' Report to the members of Yorkshire Building Society Charitable Foundation

Report on the audit of the financial statements

Opinion

In our opinion, Yorkshire Building Society Charitable Foundation's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2024; the Statement of Financial Activities (incorporating an income and expenditure account) and the Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charitable company's ability to continue as a going concern.

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

Independent auditors' Report to the members of Yorkshire Building Society Charitable Foundation (continued)

Report on the audit of the financial statements (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Trustees' Report, we also considered whether the disclosures required by the UK Companies Act 2006 and Charities Act 2011 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Trustees' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Trustees' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Trustees are also responsible for such internal control as they 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' Report to the members of Yorkshire Building Society Charitable Foundation (continued)

Report on the audit of the financial statements (continued)

Responsibilities for the financial statements and the audit (continued)

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

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

Based on our understanding of the charitable company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, and 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 financial statements such as the Companies Act 2006. 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 posting of inappropriate journals. Audit procedures performed by the engagement team included:

- Identifying and testing journals that meet the higher risk criteria;
- Incorporation of an element of unpredictability in our testing through altering the nature, timing and/or extent of work performed;
- Review minutes of meetings of the Board of Trustees; and
- Enquiries of management and those charged with governance including consideration of known or suspected instances of non-compliance with laws and regulations.

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 for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Independent auditors' Report to the members of Yorkshire Building Society Charitable Foundation (continued)

Report on the audit of the financial statements (continued)

Responsibilities for the financial statements and the audit (continued)

Use of this report

This report, including the opinions, has been prepared for and only for the charitable company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- the charitable company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Trustees were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Natalia Golubeva (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
24 March 2025

Financial Statements

Statement of Financial Activities

for the year ended 31 December 2024

		2024			2023
	Note	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
Income from:					
Donations and legacies	3	535,162	800,000	1,335,162	465,626
Investments	4	4,928	-	4,928	3,469
Total income		540,090	800,000	1,340,090	469,095
Expenditure on:					
Other	5	(7,560)	-	(7,560)	(7,200)
Charitable activities	6	(379,959)	-	(379,959)	(319,008)
Total expenditure		(387,519)	-	(387,519)	(326,208)
Transfer between funds		(200,000)	200,000	-	-
Net movement in funds		(47,429)	1,000,000	952,571	142,887
Total funds brought forward	9	205,487	-	205,487	62,600
Total funds carried forward		158,058	1,000,000	1,158,058	205,487

The statement of financial activities includes all gains and losses recognised in the year (2023: £nil).

The results are wholly derived from the continuing operations of the Charity.

There were no restricted funds in 2023.

The Statement of Financial Activities incorporates an income and expenditure account and the net movement in funds represents the net income for the year.

The notes on pages 18 to 26 form part of these financial statements.

Balance Sheet

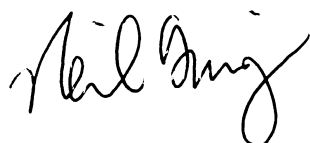
as at 31 December 2024

	Note	2024 £	2023 £
Non-current assets			
Prepayments and accrued income	8	600,000	-
Current assets			
Other debtors	8	38,750	91,805
Prepayments and accrued income	8	218,110	29,676
Cash at bank and in hand		347,508	183,011
Total assets		1,204,368	304,492
Current liabilities			
Creditors - amount falling due within one year		(7,560)	(7,200)
Other liabilities		(38,750)	(91,805)
Total liabilities		(46,310)	(99,005)
Net current assets		558,058	205,487
Net assets		1,158,058	205,487
Funds			
Unrestricted funds	9	158,058	205,487
Restricted funds	9	1,000,000	-
Total funds		1,158,058	205,487

The notes on pages 18 to 26 form part of these financial statements.

These accounts have been prepared in accordance with the special provisions relating to small entities regime in accordance with the provisions of FRS102 Section 1 A – Small Entities.

The financial statements on pages 18 to 26 were approved by the Trustees on 24 March 2025 and signed on its behalf by



N Irving
Trustee

Registered company number: 03545437
Registered charity number: 1069082

Statement of Cash Flows

for the year ended 31 December 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net income for the year	952,571	142,887
Adjustment for:		
Interest income	(4,928)	(3,469)
Changes in operating assets and liabilities:		
Increase/(decrease) in creditors	360	(6,600)
Increase in accrued income	(788,434)	(9,282)
Decrease in other liabilities	(53,055)	(24,698)
Decrease in other debtors	53,055	24,698
Net cash flows generated from operating activities	159,569	123,536
Cash flows from investing activities		
Interest received	4,928	3,469
Net cash flows generated by investing activities	4,928	3,469
Change in cash and cash equivalents in the year	164,497	127,005
Cash and cash equivalents at the beginning of the year	183,011	56,006
Cash and cash equivalents at the end of the year	347,508	183,011

Cash and cash equivalents consists of cash at bank and in hand.

The notes on pages 18 to 26 form part of these financial statements.

Notes to the financial statements

1. Significant accounting policies

The Yorkshire Building Society Charitable Foundation, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having share capital. The Company is domiciled and registered in England.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

1.1 Basis of preparation

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" applicable in the UK and Republic of Ireland, FRS 102 Section 1A, and in accordance with the Companies Act 2006 and the Charities Act 2011, using consistently applied accounting policies.

Except where otherwise stated, all figures in the financial statements are presented pounds sterling (£). The financial statements have been prepared on the going concern basis, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future.

The Statement of Cash flows has been prepared in compliance with FRS 102 Section 7 'Statement of Cash flows'. The cash flow has been presented under the indirect method.

The Statement of Cash Flows presents cash flows from operating and investing activities. The Charity did not undertake any financing activities in the year. The net cash flows from all three categories are totalled to show the movement in cash and cash equivalents during the year, which is then used to reconcile cash and cash equivalents.

1.2 Going concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue for a period of not less than 12 months from the date of approval of the accounts. Accordingly, the financial statements have been prepared on the going concern basis.

1.3 Accounting developments

Standards issued but not yet effective

FRS 102 received an update in March 2024 that will be effective for accounting periods beginning on or after 1 January 2026. These updates aimed to more closely align FRS 102 with IFRS reporting standards. It is not expected that these amendments will impact the Charity's accounts.

1.4 Unrestricted funds

The use of these funds has not been restricted to a particular purpose by the donors or their representatives.

1.5 Restricted funds

Restricted funds comprise of funds that have been restricted for a particular purpose or programme by the donors or their representatives.

Notes to the financial statements (continued)

1. Material accounting policies (continued)

1.6 Income

Investment income is recognised on an accruals basis. Donations and legacies are credited to the Statement of Financial Activities when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Other income is only recognised once receipt is expected and is reliably measurable. Any related tax credits are accounted for on an accruals basis.

1.7 Expenditure

Expenditure is included on an accruals basis. Governance costs are those costs incurred in meeting the Charity's statutory and regulatory obligations and under FRS 102 are included within other expenditure on the Statement of Financial Activities.

No Trustee expenses have been paid in the year 2024 (2023: £nil).

1.8 Donations payable

It is considered that there is a constructive obligation to make the donation once the amount has been approved and the recipient informed of this. Once these criteria are met, the donations are accrued for and subsequently paid to Charities Trust who administer and distribute the donations to the end-charities.

Balances paid over to Charities Trust but not yet paid on to the end-charities are classified as "Other debtors" on the balance sheet, with a corresponding liability to the end-charity held in "Other liabilities".

1.9 Financial instruments

The following accounting policies have applied in the preparation of the financial statements.

- (i) **Accrued income** – Accrued Income amounts due in under one year and relates wholly to balances due from Yorkshire Building Society in relation to period end SCBD income. These are measured on an accruals basis.
- (ii) **Cash at bank and in hand** – Cash at bank and in hand includes cash held at bank. All cash balances are immediately available. Amounts are held at amortised cost.
- (iii) **Other debtors** – Other debtors represents cash balances held at Charities Trust on behalf of the Charity. Cash balances held at Charities Trust relate to approved donations awaiting payment to recipients. Amounts are held at amortised cost.
- (iv) **Creditors** – Creditors relate wholly to amounts owed in respect of audit fees. Amounts are held at amortised cost.
- (v) **Other liabilities** – Other liabilities represents donations approved awaiting payment to recipients. Amounts are held at amortised cost.

Notes to the financial statements (continued)

1.10 Taxation

The Charity is a registered charity and is thus exempt from tax on income and gains falling within chapters 2 and 3 of part 11 of the Corporation Tax Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to charitable objects. No tax charges have arisen.

Irrecoverable VAT is not separately analysed and is charged to the statement of financial activities when the expenditure to which it relates is incurred and is allocated as part of the expenditure to which it relates.

2. Critical accounting judgements and key sources of estimation uncertainty

The Charity makes judgements in applying its accounting policies that may have a significant impact on the amounts recognised in the financial statements. In addition, estimates and assumptions are used which could affect the reported amounts of assets and liabilities in the next financial year. There are no critical judgements or key sources of estimation uncertainty in these financial statements.

3. Donations and Legacies

	2024	2023
	£	£
Small Change Big Difference (SCBD) income	404,670	358,217
Payroll Giving income	56	209
Real Help with Real Life Fund income*	-	100,000
Other donations from Yorkshire Building Society	7,560	7,200
Building Bradford Skills Fund	900,000	-
Other income	22,876	-
	1,335,162	465,626

*These funds were donated to the Real Help with Real Life Fund during the year but have now been repurposed to the Building Bradford Skills Fund.

Plans for future years

SCBD is a scheme promoted by Yorkshire Building Society under which the holders of savings or mortgage accounts agree to the transfer to the Charity an amount equivalent to the pence of interest received on a savings account or rounding up to the nearest pound the pence of interest paid on a mortgage account (never exceeding 99p per year, per account).

Payroll giving income is voluntary donations that are made by Yorkshire Building Society employees from their gross salary.

The Society donated £100,000 for the Foundation's Real Help with Real Life Fund (2023: £100,000), to allow the Charity to contribute to several larger projects which are strategically aligned with the Society's aims. The £200,000 unspent donations from the Society for Real Help with Real Life Fund have now been repurposed to form part of the Building Bradford Skills Fund.

Notes to the financial statements (continued)

4. Investment income

	2024	2023
	£	£
Bank interest	4,928	3,469
	4,928	3,469

5. Other expenditure

	2024	2023
	£	£
Governance costs – audit fees (including VAT)	7,560	7,200
	7,560	7,200

The Charity also received an additional £7,560 (2023: £7,200) from the Society to cover the audit fee of £6,300 (2023: £6,000) excluding VAT. The money received from the Society is considered as donation income by the Charity. No non-audit services were provided by the Charity's auditors during the year.

6. Charitable activities

	2024	2023
	£	£
Charitable donations	379,959	319,008
	379,959	319,008

The Charity made 389 (2023: 306) charitable donations to charities. No donations were made to individuals in the year. Note 7 provides a breakdown of donations of £2,000 and over made to individual charities during the year.

Notes to the financial statements (continued)

7. Donations approved in the year to charitable institutions of £2,000 and over

The following shows donations approved valuing £2,000 and over during the year.

	2024
Cornwall Blood Bikes	£ 2,000
Southport Soup Kitchen	£ 2,000
The Crossroads Project	£ 2,500
Cartwheel Youth And Community Centre	£ 2,000
Trinity Mission Castleford Cio	£ 2,000
The Caribbean Collective	£ 2,000
Horizons Plymouth	£ 2,000
Greenwich And Bexley Community Hospice Limited	£ 2,056
Exeter Leukaemia Fund Cio	£ 2,500
Compassion Acts	£ 2,000
The E C Roberts Centre	£ 2,000
Kendal Mountain Search & Rescue Team	£ 2,000
Homeless Street Angels Limited	£ 2,000
Shrublands Youth And Adult Centre Charitable Trust	£ 2,000
Tameside East Foodbank	£ 2,000
Northorpe Hall Child & Family Trust	£ 2,000
Vida Sheffield	£ 2,000
The Message Trust	£ 2,000
Inverness Foodstuff	£ 2,000
Dad's House	£ 2,000
The Osborne Trust	£ 2,250
Support To Recovery	£ 2,500
Feltham Food Bank	£ 2,500
Mothershare	£ 2,500
The Spires Centre	£ 2,500
Leeds Baby Bank	£ 2,500
Inspire Futures Foundation	£ 2,500
The Bradford Soup Run	£ 2,500
The Sick Children's Trust	£ 2,500
Bradford Foodbank	£17,004

Notes to the financial statements (continued)

7. Donations approved in the year to charitable institutions of £2,000 and over (continued)

The following shows donations approved valuing £2,000 and over during the prior year.

	2023
Audio Active	£ 2,000
Ashdon Jazz Academy	£ 2,000
Barton Area Food Bank	£ 2,000
Ryedale Carers Support	£ 2,000
Tigers Trust	£ 2,000
Yorkshire's Brain Tumour Charity	£ 2,000
Emmaus Bradford	£ 2,000
Community House	£ 2,000
Children & Families First	£ 2,000
The Royal Leicestershire Rutland and Wycliffe Society for the Blind	£ 2,000
The Liberty Centre	£ 2,000
The Marie Trust	£ 2,000
Aber Necessities	£ 2,000
Home Start Teesside	£ 2,000
The School Fund	£ 2,000
West End Primary School	£ 2,000
Rowans Hospice	£ 2,000
St Peter & St James Hospice	£ 2,000
The Big C Appeal Limited	£ 2,000
Aylsham and District Care Trust	£ 2,000
Pembrokeshire Cancer Support Group	£ 2,000
UCAN	£ 2,000
Invictus Wellbeing Foundation CIO	£ 2,000
Little Hiccups	£ 2,000
Age UK South Gloucestershire Limited	£ 2,000
Raven House Trust Limited	£ 2,000
EDAN Lincs	£ 2,000
Newham Community Renewal Programme Limited	£ 2,000
Women Centre Limited	£ 2,000
Herts Young Homeless Group	£ 2,000
FareShare Tayside and Fife	£ 2,000
Counselling in the Community	£ 2,000
Home - Start Host	£ 2,000
Pregnancy Crisis Care (Plymouth & SE Cornwall)	£ 2,000
Towards Tomorrow Together	£ 2,000

For 2024, there were 30 donations (2023: 35) approved valuing £2,000 and over, totalling £80,310 (2023: £70,000).

Notes to the financial statements (continued)

8. Prepayments and Debtors

	2024 £	2023 £
Prepayments and accrued income	818,110	29,676
Other debtors - Funds held at Charities Trust	38,750	91,805
Total Debtors	856,860	121,481

The prepayments and accrued income recognised in 2024 totals £818,110 (2023: £29,676). Of this, £800,000 (2023: £nil) relates to the funds committed by Yorkshire Building Society to the Building Bradford Skills Fund.

9. Analysis of group net assets between funds

	Unrestricted Funds		Restricted Funds	Total
	YBS Strategic Fund	All other unrestricted funds	Building Bradford Skills Fund	
	£	£	£	£
Funds balances as 31 December 2024 are represented by:				
Current assets	-	204,368	400,000	604,368
Current liabilities	-	(46,310)	-	(46,310)
Non-current assets	-	-	600,000	600,000
Total net assets	-	158,058	1,000,000	1,158,058

	Unrestricted Funds		Restricted Funds	Total
	YBS Strategic Fund	All other unrestricted funds	Building Bradford Skills Fund	
	£	£	£	£
Funds balances as 31 December 2023 are represented by:				
Current assets	100,000	204,492	-	304,492
Current liabilities	-	(99,005)	-	(99,005)
Non-current assets	-	-	-	-
Total net assets	100,000	105,487	-	205,487

Notes to the financial statements (continued)

10. Charity Funds

	Balance at 1 January 2024	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 December 2024
	£	£	£	£	£	£
Unrestricted Funds						
Real Help with Real Life Fund	100,000	100,000	-	(200,000)	-	-
All other unrestricted funds	105,487	440,090	(387,519)	-	-	158,058
Restricted Funds						
Building Bradford Skills Fund	-	800,000	-	200,000	-	1,000,000
	205,487	1,340,090	(387,519)	-	-	1,158,058
	Balance at 1 January 2023	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 December 2023
	£	£	£	£	£	£
Unrestricted Funds						
Real Help with Real Life Fund	-	100,000	-	-	-	100,000
All other unrestricted funds	62,600	369,095	(326,208)	-	-	105,487
Restricted Funds						
Building Bradford Skills Fund	-	-	-	-	-	-
	62,600	469,095	(326,208)	-	-	205,487

The Restricted Fund will be used to fulfil obligations related to the Building Bradford Skills Fund, which will support charities delivering employability projects in Bradford. The funds that comprise the Restricted Fund can only be used for this purpose. Funds were transferred from the Unrestricted Fund to Restricted Fund because of the Trustees decision to repurpose the Real Help with Real Life Fund.

Notes to the financial statements (continued)

11. Related party transactions

During the year the Charity received donations of £100,000 (2023: £100,000) from the Society, with a further £800,000 due from the Society over the next 3 years as part of the Building Bradford Skills Fund. It also received £404,670 (2023: £358,217) during the year from the Society's SCBD scheme (see Note 3), £22,876 (2023: £nil) from the Community Investment Fund, £56 (2023: £209) of Payroll Giving and an additional £7,560 (2023: £7,200) to cover the audit fee (see Note 6). The Society provides administration services under a Framework Agreement; the cost of services provided is considered immaterial. There are no employees of the Charity. The Trustees do not receive remuneration (2023: £nil). Yorkshire Building Society is considered to be a related party.

12. Events after end of reporting period

In February 2025, Yorkshire Building Society Charitable Foundation signed agreements with Smart Works Leeds, The Cellar Trust, The Light Church Bradford and Lower Grange Community Centre to provide funding to each charity over the next 3 years as part of the Building Bradford Skills Fund.