



Trustees' report and financial statements

For the year ended 31 December 2024

Co-operative Community Investment Foundation (a company
limited by guarantee)

Company registered number 4117665 / Charity registered number
1093028 (England & Wales), SC048102 (Scotland)



Foundation

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Foreword by Ruth Marvel OBE, Chair of Trustees

Having joined Co-op Foundation as the Chair of the Board of Trustees in January 2025, it gives me great pride to look back on everything that we achieved in 2024. I am particularly grateful to the Foundation's outgoing Chair, Jamie Ward-Smith, for their leadership over the last eight years, during which time the Foundation has gone from strength to strength. And to my fellow Trustees, the Foundation team, the Co-op and of course the young people who have been central to our grant-making, as advisors, decision-makers, mentors and advocate. Thank you, we could not achieve any of this without you.

In 2024 we have further grown our commitment to putting young people at the centre of how we work and make decisions and have stood by our funded partners through challenging times like the riots that took place over the summer.

We continued to deliver our ambitious Building Communities of the Future Together strategy, supporting our funded partners to build inclusive, sustainable communities that prioritise youth leadership and create fair opportunities for all.

Some of my highlights include funding our first ever Young Gamechangers – a group of 33 incredible youth-led organisations and young people aged 10-25 – that are transforming their communities. Grants of up to £20k were awarded and projects range from a community mushroom farm to tackling gender-based violence.

We also launched the final round of our Carbon Innovation Fund, our largest partnership with Co-op to tackle greenhouse gas emissions in the food and farming industry. The final round of funding is supporting organisations that are working to find ways of growing the food we need without damaging important UK peatlands.

How we learn and share knowledge from our grantmaking activity is as important to us as the delivery of our programmes. In 2024 we adopted the Diversity, Equity and Inclusion data standard – a shared framework for funders to capture data on funding for groups who experience structural inequity.

I'm also incredibly proud that we were able to offer additional financial support to our funded partners that were directly impacted by the riots that took place last summer. We know that this was a deeply distressing and challenging time for many of our partners and it was important to everyone here at the Foundation that we do all within our power to stand by them and help them through this time.

Our Future Communities Collective also grew in 2024 as we recruited new young members aged 17-25 from across the UK. We've been working closely with the collective to develop new funding programmes and our campaigns – their experience, and unique perspectives have been hugely valuable in shaping our work.

Looking ahead to 2025, I'm excited to see us launch the second round of our Future Communities Fund focusing on supporting young people with experience of the justice system, and for us to start our important campaigning work that will focus on influencing change at a systemic level to support the work of our partners in their communities.



Ruth Marvel OBE
Chair of the Board of Trustees

Trustees' report

The Trustees, who act as Directors for the purposes of company law, present their annual report and the audited financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Reference and administrative details

Co-operative Community Investment Foundation is a company limited by guarantee, registered with Companies House (number 4117665). Its registered office is 1 Angel Square, Manchester M60 0AG. It is registered as a charity in England and Wales (number 1093028) and Scotland (number SC048102).

Its day-to-day working name is the Co-op Foundation. In this report, it is referred to simply as 'the Foundation'.

The following people served as Trustees of the Foundation during the year and up to the date of this report:

Jamie Ward-Smith (Chair) (resignation date 28/11/24)

Sharon Jones (Vice Chair)

Sheila Jane Malley (resignation date 28/11/24)

Hope Levy-Shepherd

George Imafidon

Mahalia Flasz

Peter Batt (resignation date 20/12/2024)

Jane Waters (Treasurer)

Zoe Selby

Key personnel

Chief Executive – Nick Crofts

Bankers

Barclays Bank PLC, 1 Churchill Place, London, E14 5HP

Legal advisers

Brabners LLP, Horton House, Exchange Flags, Liverpool L2 3YL

Auditor

Sayer Vincent LLP, 110 Golden Ln, London EC1Y 0TG

1. Objectives

The Co-op Foundation's formal objects are described in its governing document. These are to support, through donations from co-operative organisations, members, customers and employees, projects that contribute to relief of poverty, advancement of education or other such charitable purposes and which will benefit communities in which the businesses of Co-operative Group Limited operate.

The trustees 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 its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set

Our strategy – Building Communities of the future together

2024 saw the second full year of work to deliver our five-year Foundation strategy, Building Communities of the future together.

The strategy has three building blocks –

We worked with a highly diverse group of 100 young people, to create a clear, detailed and compelling vision of communities in ten years' time that are fair and built on co-operative values. This is their Future Communities Vision.

We pioneer a distinctly co-operative way of funding. We provide flexible and unrestricted funds to people and organisations working to build the fairer, more co-operative communities of the imagined by the young visionaries. We'll fund diverse young people and organisations, and learn from and celebrate the progress being made in building fairer, more co-operative communities.

We co-operate with others from across the co-operative movement, social change, and philanthropic sectors to bring our vision of future communities to life through our funding and campaigning. We'll advocate for our co-operative way of funding and encourage other funders to join in.

Underneath these three building blocks, there were six strategic priorities that our young visionaries told us were central to their Future Communities Vision.

We will help to create –

- Safe communities
- Diverse, equitable and inclusive communities
- Sustainable communities
- Communities that prioritise youth activism, shared power and transparent governance
- Prosperous communities with access to opportunity
- Healthy communities

During the year, we undertook a review of the Future Communities Vision, illuminated by our 18 months of work to bring it to fruition with our funding, campaigning, strategic relationships and influencing.

We determined that the Vision was too broad for a five-year timeframe and the resources that we could commit to it. As a result, we have elected to focus on the first four strategic priorities.

Activities and achievements

Flexible funding

2024 was the fourth year of our membership of the 'Open & Trusting' grant making community, a group of pioneering funders committed to flexible grantmaking. Co-ordinated by the Institute for Voluntary Action Research (IVAR), our commitments demonstrate our determination to be the best funder we can be. This is helping us to shape lives in our co-operative image, and influence other funders, too.

As a result, we made the following eight commitments:

Commitment	How we will deliver this	How we've brought this to life
1. We will not waste their time	<p>We will explain our funding priorities clearly; we will be open and transparent about all our requirements and exclusions. We ensure our strategic priorities are shared prior to application.</p> <p>We only launch funding that links closely to our strategic priorities.</p> <p>We provide guidance for open funding programmes in clear, jargon-free, English.</p> <p>When launching a fund, we run webinars and provide FAQs.</p> <p>We are available for questions and clarifications for all funding enquiries throughout the application process.</p> <p>Whenever possible, we have an eligibility checker for organisations to check their eligibility prior to making a full application.</p> <p>We use a two-stage application process so that ineligible applicants don't waste time applying.</p> <p>When applicants move to the second stage, we liaise with them directly about any queries so that these can be addressed.</p> <p>When working with strategic partners on solicited applications, we keep open communication with our trustees to ensure that proposals are only progressed when they are likely to succeed.</p>	<p>We have run launch webinars for funds, including our Carbon Innovation Fund round 3, to share detailed information about eligibility and timelines. We used an eligibility checker for our Future Communities Fund round 1 in 2023 and are once again using this tool for the next round of this funding, which has been developed with young people in 2024 for launch in 2025.</p> <p>Although volumes were modest, we have a 100% success rate in 2024 for decisions about strategic funding made by our Board of Trustees.</p>

<p>2. We will only ask relevant questions</p>	<p>We will only collect information that we must have to make funding decisions; we will test our application forms rigorously to make sure our questions are clear and do not overlap.</p> <p>We act on feedback and insight from current and former partners to ensure that our application processes are regularly reviewed, straightforward and proportionate.</p> <p>Where possible, we work in a participatory way to co-develop the application questions. We do this by working with a group of young decision makers and other subject matter experts.</p> <p>We are flexible in our approach to applications, enabling organisations to submit information in a way that is accessible to them and allows them to submit information in their own format.</p> <p>We prioritise DEI principles in all interactions with partners, ensuring that any initiatives we undertake are inclusive, accessible and clearly communicated.</p>	<p>We continue to learn about participatory approaches to funding and have redoubled our efforts to work with and shift power to young people in particular. We recruited additional young people to our Future Communities Collective of young people, (who made funding decisions on our Future Communities Fund, round 1 in 2024). In addition, our Young Gamechangers Fund youth steering group both co-designed funding approaches and made recommendations on 33 youth led grants.</p> <p>We take a co-production approach to learning with partners, to ensure this is meaningful for all participants.</p> <p>We are rolling out the DEI data standard, a shared framework to categorise organisations either led by, or targeting and supporting groups experiencing structural inequity – this will support our work to fund equitably.</p>
<p>3. We will accept our share of risk</p>	<p>We will be realistic about how much assurance applicants can reasonably give us; we will clearly explain how we assess risk when we make our funding decisions.</p> <p>We work with our trustees to agree an approach to risk that ensures we fund a range of organisations. This includes funding innovative and high-risk projects through our Carbon Innovation Fund and funding smaller organisations with an income less than £250,000 through our Future Communities Fund.</p>	<p>We have an integrated and close working relationship with our Audit, Risk and Finance committee to ensure that risk is a constant dialogue between the team and Board of Trustees. When working with a collective of young people, our team retains responsibility for undertaking due diligence and explaining the risks associated with funding organisations and ensuring any risks align with Co-op Foundation's risk appetite.</p>

	<p>We have constant dialogue between the foundation team and trustees to ensure that our activities align with our risk appetite.</p> <p>– As a relational funder that builds strong relationships with partners, we manage and mitigate risk by creating a culture of openness, transparency and support.</p> <p>– We accept that even when things don't go to plan, this represents a learning opportunity rather than 'failure'. We are committed to learning and have learning contracts in place to support this. We share learnings both internally and externally.– We ensure that any due diligence is proportionate and we only ask for information that is required. We work with partners to support them if any challenges or risks are identified.</p> <p>– In our investments, we continue to support our partners with interest-free loans to community organisations, accepting a meaningful share of risk alongside our partners.</p>	<p>We continue to support partners through our loans portfolio and hope to pilot a new loans offer in 2025.</p> <p>We are committed to learning from all of our partners, and have learning contracts in place to do this for our funds.</p>
4. We will act with urgency	<p>We will seek to work at a pace that meets the needs of applicants.</p> <p>When announcing a fund, we publish our timelines and stick to them wherever possible (recognising that sometimes things happen that affect our timelines, particularly when delivering participatory approaches to decision making). We are transparent about any changes to timelines and communicate these clearly.</p> <p>We have strong relationships and regular contact with our partners and are responsive to the changing external context in which they</p>	<p>We were transparent with applicants to our Carbon Innovation Fund round 3 about expected timelines for funding decisions. We seek feedback from our applicants about their experience of working with us, including launch webinars, application materials and our approach to supporting grant holders.</p> <p>We continue to take a flexible approach to working with all partners - for loan partners this means the option to pause repayments where possible.</p>

	operate. We are flexible and, where applicable, adjust grant payments or loan repayment dates to reflect the changing needs of our partners.	
5. We will be transparent about our decisions	<p>We will give feedback; we will analyse and publish success rates and reasons for rejection; we will share our data.</p> <p>We involve people from the communities we work with in decisions about how to use our funds. We aim to complete our journey towards becoming a participatory grantmaker by the end of our current strategic cycle and are making strong progress towards this.</p> <p>We started this work through the 100 young people who co-created our Future Communities vision that guides our strategy.</p> <p>We have increased the number of young people involved in decision-making as well as expanding the range of work they're involved in.</p> <p>Where possible, we are open about the chances of success when we launch a fund. Funds are as targeted as possible to reduce the likelihood of high volumes of applications.</p> <p>We publish reasons for rejection and give more detailed feedback wherever possible.</p> <p>We create and share blogs about which organisations have received funding. We list all our partners on our website and in our annual report.</p> <p>We share all of our funding data via 360 Giving and will continue to do so.</p> <p>We have launched the DEI Data Standard for our partners, to better understand the organisations that we fund. We also take part, whenever</p>	<p>Our approach to funding is published on our website, as part of our strategy, Building Communities of the Future Together.</p> <p>We continue to work closely with our Future Communities Collective of young people and have significantly increased the number of young people we're working with in 2024 – as well as expanding the breadth of work young people are involved with.</p> <p>We offered detailed feedback to unsuccessful applicants to our Carbon Innovation Fund round 3.</p> <p>We continue to share data via 360 giving.</p>

	possible, in the Funders for Racial Equality (FREa) Racial Justice Audit.	
6. We will enable partners to respond flexibly to changing priorities and needs	<p>We will give unrestricted funding; if we can't (or are working with other funders who have restrictions in place), we will make our funding as flexible as possible.</p> <p>Through our close relationships with partners, we remain open and responsive to changing needs. We provide unrestricted, multi-year funding. This makes it possible for organisations to flexibly allocate funds to where they are needed most. When developing new funding programmes, we look for ways to make funding unrestricted and longer-term.</p> <p>When working in partnership with other funders and delivery partners, we set out our expectations clearly at the beginning of the partnership (for example working with young people and using participatory approaches to decision making) and are not afraid to move away if we feel our approaches cannot align.</p> <p>We act as advocates in the voluntary sector for multi-year, unrestricted funding and seek to influence other funders and stakeholders to fund in flexible and responsive ways. We share our learnings of funding in this way by, for example, participating in webinars, podcasts, publishing blogs and commissioning research reports.</p>	<p>In 2023, we funded organisations on an unrestricted basis for up to five years through our Future Communities Fund round one. In 2024 we took the learning from this and are in the process of developing round two with our collective of young people.</p> <p>We work flexibly with our partners to support them via a relational approach.</p> <p>We continue to support this approach to funding via our partnerships with #iwill Fund and Co-op on our Young Gamechangers Fund - alongside delivery partners Global Fund for Children and Restless Development. In addition, this approach is taken through our partnership with UnLtd and Phoenix Group on our Funding Futures Programme, which supported the first tranche of young people in 2024.</p>

<p>7. We will be clear about our relationship from the start</p>	<p>We will be realistic about time commitments; we will ensure that our contact is positive and purposeful.</p> <p>As a relational funder, we invest considerable time in building strong partnerships.</p> <p>At the beginning of a partnership, we discuss with a partner how we would like to work together. We continue to adapt this throughout the partnership. For example, for our strategic grants, we tailor the frequency of catch-up meetings based on the changing needs of the funded organisation.</p> <p>We are conscious of potential power dynamics between funder and partner. For instance, we review the language used in our communications and at all stages of the partnership. We base our level of involvement and support in the organisation's activities on their invitation, such as taking part in steering or advisory boards.</p> <p>We trust our partners to know how best to deliver positive change in their area of expertise.</p> <p>We view funding relationships as flexible, symbiotic relationships whereby both funder and partner learn, adapt and create impact together.</p> <p>We adhere to DEI principles at all times and champion the importance of this to our partners, for example through signposting to trustee diversity resources</p>	<p>We continue to work closely and supportively with partners across our funding portfolio. We have developed a Funding Plus offer for partners, in consultation with partners, stakeholders and our team. We expect this to be piloted in 2025.</p> <p>Funding via our Future Communities Fund round one supported organisations working with diverse groups of young people, delivering opportunities to be involved in governance and leadership – this will continue with the second round of funding, which will be launched in 2025.</p> <p>As part of our learning approach, we co-design a theory of change with young people and relevant stakeholders. This ensures that the foundation of a learning approach is embedded from the outset of the fund's development. We have done this with our upcoming Future Communities Fund round two, which has a Theory of Development in place prior to launch. This will allow us to identify an appropriate learning partner in time to brief partners on our approach prior to them signing up for a grant.</p>
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<p>8. We will commit to light touch reporting</p>	<p>We will ensure that our formal reporting requirements are well understood, proportionate and meaningful.</p> <p>We are committed to proportionate reporting.</p> <p>Where practical, we involve our partners and young decision makers right from the start, to co-design the theory of change, learning goals, set learning questions and develop reporting processes.</p> <p>We always seek to make reporting light touch and accessible, co-designing the approach, or reusing other reports or agreeing shared approaches with other funders.– We ground our learning and evaluation in DEI, making it more equity-focused, culturally responsive and participatory.</p> <p>We share learnings internally and externally. For example, in agreement with partners, we share stories and learnings, to leverage their work, such as on social media, through our blogs, website or impact report</p>	<p>Our approach to progress reporting and learning from our Future Communities Fund round 1, which supports organisations working with diverse young people and supporting them into positions of power and leadership, has been participatory from the start. We have expanded the number of young people from our Future Communities Collective who are supporting the development of the second round of this fund. One of their key activities has been to contribute to the development of a Theory of Change for this fund.</p> <p>Our intention is to also involve the collective in the appointment of a learning partner, to be in place by the time we award funding.</p> <p>The approaches we take to progress reporting and learning are co-designed with partners. We continue to share learning from our funding externally - in 2024, we launched a report on unrestricted funding that we commissioned via our learning partner, IVAR.</p>
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Grantmaking activity

Future Communities Fund

The first round of the Future Communities Fund, our pioneering £1.5m strategic fund under our [‘Building communities of the future together’](#) strategy, continued into its second year of grant awards in 2024. We’re pioneering a distinctly co-operative way of funding, and that’s why this fund is:

- **Participatory** – grant-giving will be led by our [Future Communities Collective](#). This is a group of diverse young people who have provided input into decisions on our funding and strategy.
- **Unrestricted** – we’re funding organisations, not projects.
- **Long-term** – we’re providing funding for up to five years.

- **Trusting** – we'll work with our partners to understand how our funding can increase their impact.
- **Accessible** – we introduced a two-stage application process for this fund and pledged to be honest and open with applicants as we trial new ways of working. This aligns to our [IVAR commitments](#).
- **Supportive** – we're here to help community groups to be the best they can be in whatever way we can. That's why we're funding them flexibly and amplifying the amazing work that they do.
- **Facilitating co-operating** – we'll help to facilitate connections between groups so our partners can achieve more, learn together and co-operate for a fairer world.

The Future Communities Fund round 1 was launched in November 2022 and will run for five years. It brought together two strategic priorities from our youth-designed [Future Communities Vision](#) – 'youth activism and shared power' and 'diversity, equity and inclusion'.

The fund aimed to support people that have experience of being marginalised in society due to their race, gender identity, sexual orientation, disability, socioeconomic status or any other attribute that impacts their inclusion. We were able to support 13 organisations and our partnerships with the funded organisations will continue up to 2027.

2024 was spent researching and building the second round of the fund, which will launch in 2025. It will have an additional strategic priority of 'safety' at its core, specifically supporting organisations that work with young people that have had experience of the criminal justice system.

Young Gamechangers Fund

2024 saw the launch of perhaps the most exciting and innovative fund under our new strategy, the Young Gamechangers Fund.

Designed to fund the next generation of activists, campaigners, disrupters, leaders, social entrepreneurs and co-operators, Gamechangers will be the largest fund launched in the UK to fund individual young people and youth-led groups.

The Foundation has committed £1.5m over three years, and in 2023 we secured commitments of a further £1.5m of funding from the Co-op and £1.38m from the #iwill Fund. Along with our team's costs, this will make it a £4.5m, three-year fund. For financial reporting purposes, £2.4m of this expenditure was shown in 2023.

Recognising that we don't have the skills or capacity within the team to directly manage funding relationships with individual young people, we appointed Global Fund for Children and Restless Development, working together in partnership, as the delivery partners for the new fund.

The initial stages of the development of the fund were informed by an in-house scoping study the Foundation team conducted that reviewed 20 funding programmes investing in individuals, offered by 16 UK funders. The findings indicated involving experts and people with lived experience at various stages of the fund design, embedding Diversity Equity and Inclusion principles in communications and data collection, simplifying the applications process and diversifying outreach strategies. Approaches to mitigate risks included offering training to the grant recipients, flexibility and trust and involving delivery partners depending on the funding team's existing experience and skills. Tailored support, in addition to

the funding from the outset based on needs assessment, was also considered important. A light monitoring of progress and evaluation of both processes and impact for continuous improvement and sector influence was also recommended.

Taking into consideration the scoping study's finding the YGF is designed by and for young people. A diverse Youth Steering Group was established to meaningfully shift power and decision-making to those with the lived experience of the issues we seek to impact. For example, the YSG make decisions about which applications to recommend for approval to the Foundation Board.

The Young Gamechangers Fund opened to the first round of applications in late 2023 and the first funds were awarded in spring 2024. Thirty-three one-year grants, each up to £20,000, were awarded to eight individuals and 25 youth-led organisations across the UK to create positive social change in their communities. The recipients, who span in age from 10 to 25 years old, are also benefitting from a comprehensive support package that includes training and advice.

In September 2024, our Youth Steering Group designed the second funding round, focusing on projects that build community cohesion and bring people together, as well as designing and testing new and innovative approaches to established challenges. They identified several underrepresented demographics from the first funding round and decided to prioritise applications from young people with specific experiences. These included experiences in the criminal or youth justice system, barriers to accessing education, living in rural or isolated communities, residing in coastal towns and communities, seeking asylum or having refugee status, and facing social and financial barriers to opportunities.

This prioritisation aimed to ensure a more inclusive and diverse range of applicants for grant round 2. The application window for grant round 2 opened in November 2024 and closed in December, during which time we received a total of 215 applications. We hope to award grants from March 2025 onwards.

Support for Refugees

At the Co-op Foundation, we actively challenge racism and discrimination and advocate for diversity, equity and inclusion in all parts of society.

The riots of 2024 made it clearer than ever why our support for refugees and people seeking asylum is so crucial.

In addition to the ongoing funding for Refugee Action for their asylum crisis service and broader work, following the riots, we swiftly awarded them an additional unrestricted grant of £50,000. The funding aimed, in the short-term, to help Refugee Action to provide urgent crisis support. This was vital to respond to safety and wellbeing fears of people in the asylum system and those working with them. The funding also hopes to address more systemic issues through ongoing racial justice campaigning to shift the narrative, policy and practice on migration.

Carbon Innovation Fund

Co-op Foundation launched the third round of the Carbon Innovation Fund in February 2024.

First launched in 2021, the Carbon Innovation Fund is a multi-year partnership between the Co-op and the Co-op Foundation. It's funded through Co-op donations raised from the sale of compostable carrier bags in the UK and topped up with the Co-op Foundation's own funds, to an estimated total of more than £3.5m.

The purpose of the Carbon Innovation Fund is to fund organisations who are making exciting, alternative and different developments to create a more sustainable food and farming sector that is kinder to the environment, supportive of local communities and more resilient in the face of the climate emergency.

In February 2024, we launched our third round of the Carbon Innovation Fund, which focused on funding sustainable ways to create a thriving food and farming sector, without the need to damage important peat soils across the UK. Peatland is often drained to grow crops and to allow livestock to graze. It is also often broken up to put the peat into compost as a growth aid. This is a major issue in terms of landscape degradation and biodiversity loss. Because of this, we want to focus our funding on ways to protect peatland while still providing the food we need to eat. This also compliments the Co-op's multi-million peatland restoration partnership with RSPB.

Applications for the fund closed on 15th March and after a light-touch 2-stage process (in line with our IVAR commitments) and subsequent decision panel with industry experts, we awarded grants of up to £150,000 to seven new partners from July 2024. We have been delighted to fund work which spreads from South-West Wales up to the Outer Hebrides of Scotland for projects that vary in scope, but with one common mission in mind: to protect our UK peatlands while producing the food we need to eat.

As has been the case for each round of the Carbon Innovation Fund, our new partners are welcome to spend their grants on core or capital costs related to their project, and within whatever timeframe suits them best. We commit to having a bespoke relationship with each partner which acknowledges their needs first, meaning that we are flexible with project changes and consider their workloads before requesting progress check-ins.

We have committed to ensuring funded partners can learn and network with one another to gain knowledge, work together and advance their own projects. Our first learning event for round three partners will be held in May 2025, which will allow our partners time to get their projects up and running before sharing learning.

Co-op Live

2024 saw the commencement of our new partnership with Co-op Live, a new arena and music venue in East Manchester. The Foundation has been unveiled as the official charity partner of the venue and will receive £1m annually from the venue operators, currently secured for 2024 and 2025. As well as funding, we receive event tickets which we share with our funded partners.

We have used the venue for a variety of events, including a residential weekend for our Young Gamechangers.

Campaigning

In 2024, our campaign efforts were mainly centered around conducting thorough research to identify the areas where our work could have the greatest impact and generate long-lasting change.

Following conversations with key stakeholders and taking into consideration our plans for future funding programmes, we decided to prioritise our 'safety' strategic priority. After hosting conversations and focus groups with key stakeholders, we decided we would create safer communities by looking for ways to improve the youth criminal justice system so that young people can be more successfully rehabilitated. Not only does this focus honour the views shared by young people who fed into our youth-led Vision and campaign strategy – both of which identified the need to support people who have made mistakes to effectively learn from them - but it also supports work already being carried out across the wider Co-op business through the Safer Colleagues, Safer Communities campaign.

Once we had decided we would focus on reforming the youth criminal justice system, we then needed to identify which parts of the system we want to influence to bring about positive change. To do this, we carried out another stage of research. This involved speaking to young people with lived experience of the youth justice system and organisations who are already actively campaigning in this space to understand what challenges they have faced and are currently facing; analysing relevant reports, books and articles to better understand the challenges the system is facing as a whole; and examining recent House of Commons and House of Lords debates to understand the key priorities and concerns of MPs and decision-makers in relation to the criminal justice system.

All this research helped us to determine that our campaign work would help reduce the damaging impact of the criminal justice system on young people. We will do this by partnering with and amplifying the efforts of two organisations that are already calling for greater restrictions over the use of remand in child cases and calling for greater use of non-custodial sentences for young people.

With support from Professor Neal Hazel and notable organisations already working in the criminal justice space, we spent the last quarter of 2024 researching and identifying organisations already campaigning on these issues who could help us achieve our objectives. As a result, at the end of 2024 we approached 7 organisations to discuss a potential partnership, 5 of which agreed to a conversation in January 2025 to explore what this might look like. We hope to share the results of these conversations and the organisations we will be looking to partner with in Spring 2025.

To ensure any campaign work aligns with the wider Co-op, as well as ensuring young people's voices remain at the heart of all our decision-making processes at the Foundation, we established two key working groups; a campaign alignment group which includes Co-op colleagues from the Public Affairs, Social Mobility and Community and Shared Value team and a campaign working group which includes members of our Future Communities Collective. Both groups met on a monthly basis throughout 2024 and will continue to do so throughout 2025 to help guide our campaign work.

Systemic change

In 2024, we strengthened our existing funding partnerships with key organisations working to bring about systemic change: Action for Trustee Racial Diversity (ATRD), Getting on Board, Young Trustees Movement (YTM) and IVAR. We also remained a member of the Funders for Race Equality Alliance (FREA).

These dynamic organisations served as power voices for change in the voluntary sector. They played a crucial role in strengthening civil society, championing open and trusting grantmaking, promoting racial justice and diversifying charity boards.

Young Trustees Movement, for example, ran a wide variety of successful initiatives, such as their Champion Training, which helped attendees improve their knowledge and understanding of barriers to youth participation on boards. On top of that, YTM influenced change through their Model Boardroom. This innovative programme helped remove the mystery that may surround what being on a Board is like and empowered young people with the skills and confidence they need for trusteeship.

#iwill Fund

The #iwill Fund is made possible thanks to £66 million joint investment from The National Lottery Community Fund and the Department for Culture, Media and Sport (DCMS) to support young people to access high quality social action. The #iwill Fund brings together a group of organisations who all contribute funding to embed meaningful social action into the lives of young people. Social action involves activities such as campaigning, fundraising and volunteering, all of which enable young people to make a positive difference in their communities as well as develop their own skills and knowledge. The #iwill Fund supports the aims of the #iwill movement - to make involvement in social action a part of life for young people, by recognising the benefit for both young people and their communities. By bringing together funders from across different sectors and by making sure that young people have a say in where the funding goes - the #iwill Fund is taking a collaborative approach.

The Co-op Foundation's original 2017-20 partnership (Version 1) focused on social action, tackling youth loneliness through a £2 million grant fund. This was subsequently extended, through a £3 million grant fund (Version 2), agreed in 2019, which aimed to move the focus towards social action drawing on young people's lived experience, through peer support and youth-led advocacy.

The projects funded via Version 2 of the programme were grouped into three thematic strands:

- School Transitions, aimed at supporting young peoples' wellbeing in the transition from primary school to secondary school
- Community Spaces, aimed at helping young people to improve the design and use of community spaces
- Bereavement Support, aimed at providing young people safe spaces and support to share their experience of bereavement

In 2022/23, our grant-making focused on using a programme underspend of £1.3m to extend our #iwill Fund offer to existing (Version 2) and former (Version 1) #iwill Fund partners. We also offered an additional year of funding to five devolved nations partners who had previously been funded through our Co-op Foundation Bereavement Fund. In total, we made 37 awards to the value of £1.2 million.

IFF Research were re-commissioned to complete the evaluation for the extended Version 2 projects and the [final evaluation report](#) was published in Summer 2024. Partners originally funded through Version 1

of the programme participated in an action learning set and Action Learning Associates were commissioned to deliver this work. This work was completed in October 2024 and learning from this evaluation approach was shared in the form of a [blog](#), published In July 2024.

Both iterations of the funding programme are now closed.

Financial review

The Foundation's total income in 2024 was £2,774,617. This was a decrease from 2023 of 2,906,584. The main reason for this is a reduction in the level of external match funding, as multi-year income was recognised in the 2023 accounts.

Expenditure was £3,662,953. This also represented a significant reduction of £5,161,528 from 2023, as multi-year grant expenditure was similarly recognised in 2023.

Net income for the year, before investment gains, was (£888,336). The Foundation also made investment gains of £1,868,248.

The Foundation also holds a small social investment portfolio. £577,587 of assets were held in mission-related investments at year-end (2023: £833,375).

Reserves

The Foundation's target reserves level are set as a ratio of annual support costs.

The reserves policy sets out:

- A central reserves target equivalent to six months' support costs of circa £510,000
- A range of tolerance up to three months either side of this central target (i.e. at any given time, reserves would be maintained at a level between 3 and 9 months' support costs) to allow for expected fluctuations in the phasing of income and expenditure.

Reserves at 2024 year-end were £648,966.

Endowments, restricted fund balances and designated funds are excluded from the definition of reserves. The total value of all assets held by the Foundation at year-end was £23,404,430. This provides a strong financial position from which to deliver our existing plans for 2025 and beyond, as we continue to implement the Foundation's strategy.

The Trustees believe that the Foundation is well placed to manage its business risks successfully. The Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Foundation financial statements.

Risks

The Foundation maintains an Audit, Risk and Finance sub-committee of the Board. This Committee reviews the Foundation's risk framework and recommends various improvements, which were approved by the Board. An updated framework was then adopted in November 2024.

The main risks identified by the Foundation and mitigating actions taken in 2024 are summarised below.

Main risks	Controls
The impact of cost-of-living crisis on partners and the wider community leads to fewer outcomes delivered by Co-op Foundation's funding	Agreed approach with Board of Trustees and funding partners to support partners with greater flexibility and additional funding
Co-op does not deliver on its stated commitment to donate agreed funding to the Foundation	Ongoing dialogue with senior Co-op figures in respect of Co-op funding
Loss of key personnel from Foundation team	Continued focus on improved culture and wellbeing. Board Wellbeing champions engaging with team
Foundation funds used for activities outside of charitable objects	Policy on grants to non-charities approved following review of legal advice
Foundation fails to meet data protection requirements under GDPR	Drafted risk and remediation plan in consultation with Group Risk
Failure to access significant new income streams in line with strategic ambitions	High-level engagement with senior Group stakeholders, support from Group fundraisers to develop opportunities
Loans and investments to community organisations are unable to be repaid, making this programme unsustainable	Loans are interest-free and blended with grants where necessary to reduce risk. Business plans are reviewed in depth by advisory partner. Further support grants being made available to loan partners to support them to survive through this difficult period and ultimately thrive

Post-balance sheet events

There were no post-balance sheet events.

Investments

The Trustees have set the following objectives for the Foundation's long, medium and short-term investments.

Fund	Objectives	Benchmarks
Main endowment	To maximise total return over the long-term (5 to 10-year horizon) and generate a steady income stream, while investing in accordance with the UN Principles for Responsible Investment	Consumer Price Index +3% per annum (of which 2% realised as income)
Environmental endowment	To maintain the real value of capital over the long term and generate a steady	CPI + 2% per annum

	income stream, while investing in accordance with the UN Principles for Responsible Investment, and where practical giving additional weight to investments with a positive environmental impact.	
Income funds for medium-term investment	To maintain the real value of funds over the medium term, while investing in accordance with the UN Principles for Responsible Investment.	CPI + 1% per annum
Income funds for short-term needs and contingencies	To maintain the nominal value of the funds and ensure sufficient liquidity to meet all spending requirements, while investing in accordance with the UN Principles for Responsible Investment.	CPI

In 2024, the Foundation's investment portfolio was held by Royal London and is allocated as follows:

- Sustainable World Trust
- Sustainable World Trust
- Sustainable Managed Growth
- Sustainable Managed Income

Despite the significant market uncertainties, our investments performed well in 2024, showing gains of slightly more than £1.8m over the year.

Fundraising

The Foundation does not undertake widespread fundraising from the general public and does not use professional fundraisers or commercial participators. The day-to-day management of all income generation is delegated to the executive team, who are accountable to the Foundation's Board.

The income of the Foundation is not bound by any regulatory scheme, and the Foundation does not consider it necessary to comply with any voluntary code of practice relating to fundraising. We have received no complaints in relation to any fundraising activities. As we do not approach individuals for the purpose of raising funds, we do not have specific requirements related to fundraising activities, nor do we consider it necessary to design specific procedures to monitor such activities.

Plans for future periods

The impact of the multiple crises facing society has shown that the need for co-operation is greater than ever before. The Foundation's principle focus will be on the implementation its five year strategy.

In addition, specific plans for 2025 include:

- Growing our partnership with Co-op Live, a new arena in Manchester which will fund the Foundation with £1m per year
- Working to more effectively centre the voices of young people and those with lived experience within all of our decision making
- Delivering the second round of our Future Communities Fund
- Delivering the third round of the Young Gamechangers Fund
- Scoping and building our new Green Skills Fund, funded by a proportion of the sale of compostable carrier bags in Co-op Food stores
- Implementing the DEI Data Standard
- Embedding our organisational Theory of Change into our work

The Co-op Foundation is proud to be a contributor to the Co-op's wider commitment to racial equality and inclusion. The issues of racial justice are systemic, deeply entrenched, and knotty. The Co-op Foundation believes that being 'not racist' is not enough; we strive to be anti-racist. This means that means that we'll work to eliminate individual, institutional, and systemic racial inequalities that currently exist.

In recent years, we have made meaningful improvements to the diversity of both our team and our Trustee Board's. The remains, however, more work to do: currently, our leadership team is all white.

Structure, governance and management

The Foundation is governed by its Memorandum and Articles of Association ('Articles').

Trustees are appointed by Co-operative Group Limited ('Co-op'). The Co-op is currently the Foundation's sole Member. With the Co-op Board's approval, Trustees may co-opt a new Trustee to fill a vacancy at any time. Co-opted Trustees may then be elected at the next AGM.

Currently, two Trustees are senior Co-op colleagues. Two are elected members of the Co-op National Members' Council. Six are recruited through open advertisement.

New Trustees are inducted by the Foundation CEO and the Secretary. This covers their legal and regulatory duties and the Foundation's governance, finances and strategy. The Board maintains a skills matrix based on each Trustee's self-assessment of their experience and expertise. This is updated every year and informs priorities for succession planning and further training and development.

Trustees are not paid and do not receive any benefits. They are reimbursed for expenses incurred on Foundation business.

Trustees are responsible for decisions on policy, strategy and allocation of resources. This includes approving the annual operating budget and major grant awards. Day-to-day running of the Foundation is delegated to the Foundation CEO. The Foundation CEO and Foundation team work within the policy, strategic and financial frameworks set by Trustees.

The Foundation team is employed by the Co-op, but reports to the Board of Trustees. The Foundation CEO's pay is set by the Trustees, who consult with the Co-op to establish suitable salary benchmarks. The Co-op provides various support services to the Foundation. The Foundation reimburses the Co-op for salary costs of the Foundation team, whose time is spent only on Foundation work. The Co-op does not charge the Foundation for the cost of Co-op colleagues who support the Foundation as part of wider roles in the Co-op. This includes the Foundation Secretary. Nor does the Co-op charge for office space and other facilities that it provides for the Foundation's use. The Trustees have considered the recognition of a gift in kind but feel the amount is immaterial.

Compliance with the Charity Governance Code

The Board agrees that the principles in the Charity Governance Code ('the Code') represent best practice. It aims to apply these where appropriate and practical. The following is a summary of the Foundation's compliance with the Code.

1. Organisational Purpose

The Board reviews the Foundation's purpose as part of their annual strategy day. The Board has adopted a Values Framework which is used to ensure that all decision making and planning aligns to the Foundation's mission and values.

2. Leadership

When considering new appointments during the year, the Board paid particular attention to how it could improve its diversity and reinforce key areas of expertise.

3. Integrity

The Board has adopted a Code of Conduct. This outlines the standards and behaviours expected from the Board. The Foundation also has a Conflicts of Interest Policy.

The Trustees acknowledge their accountability to a range of stakeholders. They ensure that appropriate stakeholder engagement is factored into all the Foundation's activities.

4. Decision Making, Risk and Control

The Board has 'matters reserved' and a financial delegated authorities framework. These act as effective delegation and control. 2024 was the fourth year of the Audit, Risk and Finance Committee, which is responsible for overseeing the risk management framework and assessing the effectiveness of internal controls. The Committee Chair provides an update to the Board on items discussed at each meeting.

5. Board Effectiveness

The Board holds at least four meetings each year. The Secretary maintains a forward planner, which is presented at each Board meeting. This ensures that Trustees have enough time to explore key issues and reach well-considered decisions.

6. Equality, Diversity and Inclusion

The Foundation is committed to promoting equality and preventing discrimination and to reviewing the diversity of the Board. It aims to create an inclusive environment, where everyone can contribute their best work and develop to their full potential. The Foundation treats its Board, colleagues and partners as individuals, allowing them to be themselves regardless of age, gender, disability, race, religion or sexual orientation. It also values different social and educational backgrounds, life experiences, career paths and diversity of thought.

7. Openness and Accountability

The Board of Trustees identifies key stakeholders at its annual strategy day. It ensures that regular and effective communication with these stakeholders forms part of its plans.

Statement of responsibilities of the trustees

The trustees (who are also directors of Co-operative Community Investment 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that 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.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on 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.

The trustees' annual report has been approved by the trustees on 12 August 2025 and signed on their behalf by

Ruth Marvel
Chair of Trustees

Opinion

We have audited the financial statements of Co-operative Community Investment Foundation (the 'charitable company') for the year ended 31 December 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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 directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

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

Capability of the audit in detecting irregularities

including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit, risk and finance committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

Date: 15 September 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities (incorporating the income and expenditure account)

for the year ended 31 December 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2024 Total Funds £	2023 Total Funds £
<u>Income and endowment from:</u>						
Donations and grants	3	1,278,981	1,161,069	-	2,440,050	5,368,177
Investments	3	41,809	292,758	-	334,567	313,024
Total income		1,320,790	1,453,827	-	2,774,617	5,681,201
<u>Expenditure on:</u>						
Charitable activities	4	(2,099,453)	(1,563,500)	-	(3,662,953)	(8,824,481)
Total expenditure		(2,099,453)	(1,563,500)	-	(3,662,953)	(8,824,481)
Net income (before net gains/(losses) on investments)		(778,663)	(109,673)	-	(888,336)	(3,143,280)
Net gain/(loss) on investments	8	9,057	57,583	1,801,608	1,868,248	2,537,213
Transfers between funds		1,020,003	(20,003)	(1,000,000)	-	-
Net movement in funds		250,397	(72,093)	801,608	979,912	(606,067)
<u>Reconciliation of funds:</u>						
Total funds brought forward	11	1,460,857	500,645	20,463,016	22,424,518	23,030,585
Total funds carried forward		1,711,254	428,552	21,264,624	23,404,430	22,424,518

All income and movement in funds arise from continuing operations. There are no gains or losses other than those recognised in this statement of financial activities.

Movement in funds are disclosed in Note 11.

The notes to the accounts form an integral part of the financial statements.

Balance Sheet

as at 31 December 2024

	Notes	2024 £	2023 £
Fixed assets:			
Investments	8	22,699,427	21,831,179
Total Fixed assets		22,699,427	21,831,179
Debtors: amounts receivable after more than one year	9	344,500	938,331
Current assets:			
Debtors: amounts receivable within one year	9	706,896	980,952
Cash at bank and in hand		3,475,789	3,693,661
Total Current assets		4,182,685	4,674,613
Current Liabilities:			
Creditors: amounts falling due within one year	10	(3,027,313)	(2,507,318)
Net current assets		1,155,372	2,167,295
Total assets less current liabilities		24,199,299	24,936,805
Creditors: amounts falling due in more than one year	10	(794,869)	(2,512,287)
Total net assets		23,404,430	22,424,518
The funds of the charity:			
Endowment			
Environmental	11	4,721,886	4,503,430
Main endowment	11	16,542,738	15,959,586
Restricted income funds	11	428,552	500,643
Unrestricted funds			
General fund	11	648,966	406,861
Designated	11	1,062,288	1,053,998
Total charity funds		23,404,430	22,424,518

The notes to the accounts form an integral part of the financial statements.

These financial statements were approved by the Trustees on 12 August 2025 and were signed on their behalf by:

Ruth Marvel
Chair of Trustees
Company registered number: 4117665

Statement of cashflows

for the year ended 31 December 2024

Reconciliation of net movement in funds to net cash flow provided by / (utilised in) operating activities:

	2024 £	2023 £
Net movement in funds	979,912	(606,067)
(Gains)/Losses on investments	(1,868,248)	(2,537,213)
Deduct investment income shown in investing activities	(334,567)	(313,024)
(Increase)/Decrease in debtors	867,887	(210,140)
(Decrease)/Increase in creditors	(1,197,423)	3,694,924
Net cash (used in)/provided operating activities	(1,552,439)	28,480
Cashflows from investing activities:		
Investment income	334,567	313,024
Investment drawdowns	1,000,000	-
Cash provided by investing activities	1,334,567	313,024
(Decrease)/Increase in cash and cash equivalents in the year	(217,872)	341,504
Cash and cash equivalents at the beginning of the year	3,693,661	3,352,157
Total cash and cash equivalents at the end of the year	3,475,789	3,693,661

Notes (forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity's financial statements except as noted below. The principal accounting policies adopted, judgement and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

Co-operative Community Investment Foundation is a registered charity and a company limited by guarantee incorporated in England. The registered office is 1 Angel Square, Manchester, M60 0AG.

These accounts have been prepared in accordance with UK Generally Accepted Accounting Practice, comprising Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and the Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019, together with the reporting requirements of the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. The Charity has adapted the Companies Act formats to reflect the SORP and the special nature of the Charity's activities. The Charity is a public benefit entity.

Going concern

In determining the appropriate basis of preparation of the financial statements for the year ended 31 December 2024, the Trustees are required to consider whether the Foundation has sufficient resources to continue in operational existence for the foreseeable future. The Foundation generated net income in the year ended 31 December 2024 of £868,247 (2023: net income of £2,537,213) and at the balance sheet date holds net assets of £23,404,430 (2023: £22,424,518).

The Trustees have concluded that it is appropriate to adopt the going concern basis, following an assessment of the financial forecasts and financial assets available to the Foundation. Management has funds to satisfy the future liabilities that they are aware of now and assets remain in place and available to meet future liabilities until at least the end of July 2025.

Therefore, after conducting the financial projections exercise set out above and making all appropriate inquiries, the Trustees have a reasonable expectation that the Foundation has access to adequate resources to enable it to continue in operational existence for the foreseeable future.

Income

All income is recognised once the Charity has entitlement to it, it is probable that the income will be received and the monetary value of the income can be measured with sufficient reliability. Committed grant income not yet received is recognised as an asset on the balance sheet. If grant income is receivable in less than one year it is classified as short term and if receivable in more than one year as long term.

Grant expenditure

Grants made by the charity are recognised when there is a constructive obligation to pay. Grant expenditure is recognised when grants are approved by the Trustees, notified and accepted by the organisations concerned, payment is probable, it can be measured reliably, and all conditions have been met. Grant expenditure not yet paid is recognised as a liability on the balance sheet. If grants are payable in less than one year they are classified as short term and if payable in more than one year, then they are classified as long term.

Other expenditure

Expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation committing the Charity to the expenditure, payment is probable, and it can be measured reliably. Costs have been directly attributed to a particular heading in the Statement of Financial Activities on a headcount basis or on a time basis consistent with the use of the resource.

This includes the cost of monitoring and evaluating projects to ensure the money is being used to maximum effect and ensuring that grant making is supported, processed and governed responsibly. This also includes costs of staff who support the grant making process, cost of meetings and other expenditures incurred in this process.

Taxation

The Co-operative Community Investment Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Nature of funds

Unrestricted income relates to funds available for use at the discretion of the Trustees in furtherance of the general objects of the charity. The charity has a number of restricted income and endowment funds received for specific purposes, which are documented and used accordingly. A restricted income and endowment fund arises from monies received that are communicated to the Charity for specific uses outlined in grant agreements and grant letters.

Notes (continued)

Financial assets

Basic financial assets represents investments, accrued income, trade debtors including amounts due by related parties, sundry debtors and cash and bank balances that are initially recognised at transaction price. Investments are subsequently measured at fair value with all adjustments going through the Statement of Financial Activities. At 31 December 2024, the Foundation had only financial assets classified as basic financial instruments. Debtors receivable in less than one year are recorded at transaction price. Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The Foundation does not acquire put options, derivatives or other complex financial instruments.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Financial liabilities

Basic financial liabilities represents creditors, including amounts owed to related parties and accruals, are initially recognised at transaction price. At 31 December 2024, the Foundation had financial liabilities classified as basic financial liabilities. Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Accrued income

Accrued income is recognised by the charity and accounted for when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Apportionment of expenses

Support costs have been allocated across the programmes of the charity. In 2024 there were 7 programmes (2023: 8 programmes). Expenses which directly relate to a particular programme have been charged to the relevant programme on a 100% basis, while costs relating to the overall management and governance of the charity (e.g. payroll costs) have been apportioned based on estimated time allocation.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Loans and other repayable finance for charitable purposes

Loans to charities are recognised and measured at the amount received or paid, with the carrying amount adjusted in subsequent years to reflect repayments, adjusted for any impairment and net of any bad debt provision. Loans to charities are non-interest bearing and no bad debt provision has been made in the current financial year.

Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

When assessed as material; then on receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes (continued)

2. Detailed comparatives for the statement of financial activities

for the year ended 31 December 2023

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Income and endowment from:				
Donations, grants and legacies	2,833,845	2,534,332	-	5,368,177
Investments	23,258	289,766	-	313,024
Total income	2,857,103	2,824,098	-	5,681,201
Expenditure on:				
Charitable activities	(4,016,350)	(4,808,131)	-	(8,824,481)
Total expenditure	(4,016,350)	(4,808,131)	-	(8,824,481)
Net (expenditure)/ income before net gains/(losses) on investments	(1,159,247)	(1,984,033)	-	(3,143,280)
Net gains/(losses) on investments	22,181	115,818	2,399,214	2,537,213
Transfer between funds	(78,539)	78,539	-	-
Net movement in funds	(1,215,605)	(1,789,676)	2,399,214	(606,067)
Reconciliation of funds:				
Total funds brought forward	2,676,462	2,290,321	18,063,802	23,030,585
Total funds carried forward	1,460,857	500,645	20,463,016	22,424,518

3. Income

The Foundation has recognised the following income in 2024 and 2023:

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Donations and grants						
Carbon Innovation Fund	-	224,069	224,069	-	654,332	654,332
Salvation Army	516,333	-	516,333	600,199	-	600,199
National Lottery Community Fund #will grant	-	-	-	-	1,380,000	1,380,000
Local Community Fund	354,279	837,000	1,191,279	1,955,708	500,000	2,455,708
Coop Live	400,000	100,000	500,000	-	-	-
Other donations	8,369	-	8,369	277,938	-	277,938
Total voluntary income	1,278,981	1,161,069	2,440,050	2,833,845	2,534,332	5,368,177
Investment Income	41,809	292,758	334,567	23,258	289,766	313,024
Total	1,320,790	1,453,827	2,774,617	2,857,103	2,824,098	5,681,201

Notes (continued)

4. Expenditure

2024	Charitable Activities £	Governance Cost £	Support Cost £	Total Cost £
Youth Programmes	(1,209,980)	8,411	(606,440)	(1,808,009)
Carbon Innovation Fund	(979,454)	6,809	(490,951)	(1,463,596)
Federation Phase 2 (Digital capacity building)	-	-	-	-
Systemic Change (New Strategic Initiatives)	(15,000)	104	(7,495)	(22,391)
Future Communities	(45,032)	314	(22,606)	(67,325)
New campaigning activity	(69,108)	481	(34,647)	(103,274)
Fundraising costs	-	-	-	-
Agile Fund	(130,000)	903	(65,116)	(194,213)
Social Loans	(2,812)	19	(1,351)	(4,145)
Total	(2,451,386)	17,040	(1,228,607)	(3,662,953)
Support cost	(1,228,607)	-	1,228,607	-
Governance cost	17,040	(17,040)	-	-
Total	(3,662,953)	-	-	(3,662,953)

All grants expenditure (in both the current and prior years) were to institutions rather than individuals. Grants expended and included in the table below > £100,000 in 2024 related to: Algae Products International Ltd (£150,000), Criw Compostio (£122,957), Rhyze Mushrooms Ltd (£148,200), Tagasa Uibhist (£149,999), The Lancashire Wildlife Trust (£148,181), The Wildlife Trust BCN (£150,000), UnLtd (£1,000,000). The prior year items >£100,000 related to 21 Together (£150,000), Farm Carbon Zero NI CIC (£102,800), For the love of the sea Ltd (£192,885), Kent Wildlife Trust (£104,998), North Wests Migrants Forum (£150,000), Nurturing Foundations (£150,000), Pontus Research Ltd (£200,000), Reestablish (£140,000), RJ Working CIO (£107,000), Roar Pursuits CIC (£150,000), Scottish Association for Marine Sciences (£203,765), The Gina Project CIC (£132,842), Vandenberg UK Ltd (£186,383), WWF-UK (£105,000), Young Scot (£104,715), Global Fund for Children UK Trust (£4,380,001).

Number of grants awarded:	2024	2023
<£10,000	2	57
£10,001 - £25,000	1	0
£25,001 to £50,000	1	3
£50,001 to £100,000	3	7
>£100,000	7	16
Total	14	83

2023	Charitable Activities £	Governance Cost £	Support Cost £	Total Cost £
Youth programmes	(4,547,086)	(9,555)	(649,360)	(5,206,001)
Carbon Innovation fund	(1,236,656)	(2,600)	(176,708)	(1,415,964)
Federation Phase 2 (Digital capacity building)	(29,120)	(62)	(4,184)	(33,365)
Systemic Change (New Strategic Initiatives)	(402,155)	(846)	(57,471)	(460,472)
Future Communities	(1,385,226)	(2,913)	(197,957)	(1,586,096)
New campaigning activity	(105,016)	(220)	(14,973)	(120,210)
Fundraising Costs	(2,038)	(5)	(330)	(2,373)
Total	(7,707,297)	(16,200)	(1,100,984)	(8,824,481)
Support cost	(1,100,984)	-	1,100,984	-
Governance cost	(16,200)	16,200	-	-
Total	(8,824,481)	-	-	(8,824,481)

4. Expenditure (*continued*)

Support costs, governance costs and costs of raising funds have been allocated across the programmes using the percentages in the table below. The split in costs is based on estimated colleague time spent on each programme. Support costs primarily relate to people related costs incurred by Co-op Group employees who worked for the Foundation during the year and occasionally third party advice sought by the charity. The Trustees do not receive any remuneration or benefit from the charity for their service.

Allocation of Costs	2024	2023
Systemic Change (New Strategic Initiatives)	0.6%	5.2%
Youth	49.4%	59.0%
Agile Fund	5.3%	0.0%
Carbon Innovation Fund	40.0%	16.1%
Future Communities Fund	1.8%	18.0%
New Campaigning Activity	2.8%	1.4%
Federation Phase 2 (Digital capacity building)	0.0%	0.4%
Fundraising Costs	0.0%	0.0%
Social Loans	0.1%	0.0%
Total	100.0%	100.0%

Notes (continued)

5. Net income / (expenditure) for the year

Net income / (expenditure) for the year is stated after charging auditor remuneration of £14,200 excluding VAT (2023: £13,500).

6. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:	2024	2023
	£	£
Salaries and wages	789,085	746,899
Social security costs	85,546	80,091
Employer's contribution to defined contribution pension schemes	102,512	98,243
Total	977,143	925,233

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2024	2023
£80,000 - £89,999		1
£90,000 - £99,999	1	

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £127,434 (2023: £121,038).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £230 (2023: £1,565) incurred by 1 members (2023: 7) relating to attendance at meetings of the trustees.

7. Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 17 (2023: 17).

8. Investments

	2024	2023
	£	£
Fair value at the start of the year	21,831,179	19,293,966
Additions at cost	-	-
Disposal proceeds	(1,000,000)	-
Net gain/(loss) on change in fair value	1,868,248	2,537,213
Fair value at the end of the year	22,699,427	21,831,179

All investments are held in Unit Trust investments by Royal London.

Notes (continued)

9. Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Amounts due from related parties	-	-
Loans and other repayable finance for charitable purposes	233,086	355,044
Amount due from Co-operative and Community Finance	-	-
Grant income due within less than one year	460,000	460,000
Donation income	13,810	165,908
	<u>706,896</u>	<u>980,952</u>

All amounts due from related parties are repayable on demand and no interest is payable.

	2024	2023
	£	£
Amounts falling due after more than one year:		
Loans and other repayable finance for charitable purposes	344,500	478,331
Grant Income	-	460,000
	<u>344,500</u>	<u>938,331</u>

These loans are repayable between 5 and 20 years.

Loans and other repayable finance for charitable purposes (as above)

	2024	2023
	£	£
Amounts falling due within one year	233,086	355,044
Amounts falling due after more than one year	344,500	478,331
Total	<u>577,586</u>	<u>833,375</u>

9. Debtors (continued)

Repayable loans made were as follows:

	2024			2023
	Initial loan	Repayments	Net balance	Net balance
	£	£	£	£
Anti tribalism	50,000	(43,750)	6,250	18,750
Ballymacash Sports Academy	50,000	-	50,000	50,000
Beechbrae	50,000	(30,208)	19,792	31,250
Bramley elderly action (OWLS)	50,000	(46,875)	3,125	15,625
Centre 4 Limited	50,000	(50,000)	-	10,417
Church Aston	10,000	(10,000)	-	2,200
Circus Eruption	30,000	(16,000)	14,000	20,000
Coedwig community Woodland	22,000	(15,583)	6,417	11,917
Constitution Hill	30,000	(30,000)	-	5,000
Creative Health	10,000	(10,000)	-	4,687
Eastside Community Felix Road	50,000	(48,958)	1,042	13,542
Element society	7,500	(7,500)	-	1,719
FROG	50,000	(35,917)	14,083	27,083
Future Wolverton	50,000	(17,700)	32,300	36,200
Granby Four Streets	50,000	(50,000)	-	23,958
Heeley development	100,000	(55,833)	44,167	1,042
Highbury Roundhouse assoc	55,000	(52,862)	2,138	14,963
Hulme Community Garden Centre	50,000	-	50,000	50,000
Iona Village Hall	30,000	(24,600)	5,400	13,800
Jubilee Community	50,000	-	50,000	50,000
Jubilee Pool Penzance	50,000	(50,000)	-	12,500
Newnham on Severn	30,000	-	30,000	30,000
Norton Sports Charity	50,000	(34,375)	15,625	28,125
Oban Communities Trust	30,000	(8,000)	22,000	24,500
October Books Limited	20,000	(12,333)	7,667	10,000
Projeckts Mcr Ltd	50,000	(17,433)	32,567	35,900
Rotherham Rise	50,000	(39,583)	10,417	22,917
RUSS	50,000	(50,000)	-	50,000
Seagulls Re-Use Limited	50,000	(12,891)	37,109	40,625
Sudbury Gasworks Restoration Trust	50,000	-	50,000	50,000
The Star Tree Studio CIC	26,500	(18,219)	8,281	14,906
The Walled Garden	50,000	(50,000)	-	12,500
Todmorden Learning Centre	50,000	(35,833)	14,167	24,167
Urban biodiversity	50,000	(48,958)	1,042	13,542
White Rock	50,000	-	50,000	50,000
WTOW - Welcome to Our Woods	50,000	(50,000)	-	11,542
Total	1,551,000	(973,413)	577,587	833,375

The Foundation trustees have assessed the recoverability of all outstanding loan balances and are satisfied that all balances are fully recoverable. As such there is no bad debt provision in place as at 31 December 2024 (2023: nil).

10. Creditors

Amounts falling due within one year

	2024	2023
	£	£
Grants payable	2,768,288	2,455,860
Accruals	17,040	16,200
Amounts due to related parties	241,985	35,258
	3,027,313	2,507,318

Amounts falling due after more than 1 year

	2024	2023
	£	£
Grants payable (within 1-5 years)	794,869	2,512,287
	794,869	2,512,287

Notes (continued)

11. Movement in funds

2024	Fund balances b/f £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund balances c/f £
<u>Restricted funds:</u>						
Environmental	523,580	292,758	(3,500)	-	6,150	818,988
Community Fund	(1,666,000)	837,000	-	-	-	(829,000)
Britannia	528,326	-	(464,000)	-	23,016	87,342
Big Lottery Fund #iwill grant	85,517	-	(16,546)	(20,003)	-	48,968
Welsh carrier bag levy	635,263	-	-	(551,222)	-	84,041
Carbon Innovation Fund	393,959	224,069	(979,454)	551,222	28,417	218,213
EMAC	-	100,000	(100,000)	-	-	-
Total Restricted funds	500,645	1,453,827	(1,563,500)	(20,003)	57,583	428,552
<u>Unrestricted funds:</u>						
General funds	406,859	1,309,688	(2,096,641)	1,020,003	9,057	648,966
Designated funds	1,053,998	11,102	(2,812)	-	-	1,062,288
Total Unrestricted funds	1,460,857	1,320,790	(2,099,453)	1,020,003	9,057	1,711,254
<u>Endowment fund:</u>						
Environmental	4,503,430	-	-	-	218,456	4,721,886
Main endowment	15,959,586	-	-	(1,000,000)	1,583,152	16,542,738
Total endowment funds	20,463,016	-	-	(1,000,000)	1,801,608	21,264,624
Totals funds	22,424,518	2,774,617	(3,662,953)	-	1,868,248	23,404,430

2023	Fund balances b/f £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund balances c/f £
<u>Restricted funds:</u>						
Environmental	386,400	289,767	(5,413)	(159,542)	12,368	523,580
Community Fund	-	500,000	(2,166,000)	-	-	(1,666,000)
Britannia	482,033	-	-	-	46,293	528,326
Big Lottery Fund #iwill grant	46,420	1,380,000	(1,420,909)	80,006	-	85,517
Luminate	25,802	-	(29,120)	3,318	-	-
Welsh carrier bag levy	690,101	-	-	(111,995)	57,157	635,263
DCMS	4,785	-	-	(4,785)	-	-
Carbon Innovation Fund	654,779	654,332	(1,186,689)	271,537	-	393,959
Total Restricted funds	2,290,320	2,824,099	(4,808,131)	78,539	115,818	500,645
<u>Unrestricted funds:</u>						
General funds	1,622,464	2,857,103	(4,016,350)	(78,539)	22,181	406,859
Designated funds	1,053,998	-	-	-	-	1,053,998
Total Unrestricted funds	2,676,462	2,857,103	(4,016,350)	(78,539)	22,181	1,460,857
<u>Endowment fund:</u>						
Environmental	4,048,610	-	-	-	454,820	4,503,430
Main endowment	14,015,192	-	-	-	1,944,394	15,959,586
Total endowment funds	18,063,802	-	-	-	2,399,214	20,463,016
Totals funds	23,030,584	5,681,202	(8,824,481)	-	2,537,214	22,424,518

11. Movement in funds *(continued)*

Restricted funds:

Environmental – this is the income received from our restricted Environment Fund endowment following the merger of United Co-operatives Ltd and Co-operative Group Ltd in 2007 (see below for further details)

Community - the Community Fund is the remaining balance of funds that were donated through the Co-op's membership scheme prior to 2014. These funds are now being used for the Foundation's Community Spaces programme, which awards grants that are consistent with the original purposes of the Community Fund to support voluntary, self-help or not-for-profit groups to address community issues, provide long-term benefits to the community, support co-operative values and principles, and ideally be innovative in their approach. This deficit will be reduced to nil via future income,

Britannia - the Britannia Fund was transferred following the closure of the Building Charitable Foundation and is restricted for use on financial education or numeracy projects.

Big Lottery Fund #iwill grant - this is to be used to deliver a youth-focused grants programme using social action to tackle loneliness among disadvantaged young people.

Luminate - is to be used to support a programme based at Federation Manchester to contribute to a more inclusive digital economy for Manchester and the North West of England.

Welsh carrier bag levy – this fund was donated to support projects with an environmental benefit in Wales.

Carbon innovation - this is a fund that aims to fund organisations delivering innovative project activities that lead to carbon reduction.

EMAC - these are funds donated by Coop Live to fund projects around the east Manchester area.

Designated funds:

We have set aside funds from unrestricted sources for social investment in the form of repayable finance. These designated funds are committed to future social investment loans for charitable purposes. The next round of social investment funding is expected to take place at the end of 2025 or early 2026.

Endowment funds:

The Environment Fund was a scheme set up following the merger of United Co-operatives Ltd and Co-operative Group Limited in 2007. In 2007, £2,000,000 was granted to the Co-operative Foundation by United Co-operatives, to be "ring fenced" with the annual return being used to fund environmental projects within the United Region.

The investment is shown as Endowment funds and income from the investment is shown as Restricted. In 2016 the Trustees received legal advice suggesting that this fund is permanent endowment.

The Main Endowment fund of £16,542,738 (2023: £15,959,586) is an expendable endowment held to generate investment income to be distributed in line with the objects of the charity.

Transfers:

Big Lottery Fund #iwill grant is a set amount towards Young Gamechangers costs. In 2023 accrued grants under this programme where incorrectly accrued against unrestricted, the transfer of £20,003 (2023: nil) from unrestricted is a correction of the accruals ensuring the grants paid out were allocated correctly.

Main Endowment funds is an expendable endowment and can be used for unrestricted purposes, the board of Trustees approved a withdrawal of £1,000,000 in 2023 but this was not withdrawn until 2024. The transfer is to move the withdrawn income from the endowment into unrestricted.

The investment balance of £551,222 from the Welsh Carrier Bag Levy at the beginning of 2024 has been transferred to the Carbon Innovation Fund. Both the Welsh Carrier Bag Levy and the Carbon Innovation Fund fall under environmental funding, supporting various Welsh projects to ensure alignment within the fund. In 2024, a review revealed that only £393,981 had been previously transferred from the Welsh Carrier Bag Levy, while total grant and support costs had exceeded £997,257, resulting in a shortfall of £603,276. Consequently, senior leadership decided to transfer the investment of £551,222 from the Welsh Carrier Bag Levy to the Carbon Innovation Fund, with plans to withdraw the investment in 2025.

Notes (continued)**12. Analysis of net assets between funds**

	Endowment £	Unrestricted £	Restricted £	Total £
2024				
Investments	21,264,624	260,257	1,174,546	22,699,427
Debtors	-	375,537	675,859	1,051,396
Cash	-	2,850,733	625,056	3,475,789
Liabilities	-	(1,775,273)	(2,046,909)	(3,822,182)
Net assets at 31 Dec 2024	21,264,624	1,711,254	428,552	23,404,430
2023				
Investments	20,463,016	251,199	1,116,964	21,831,179
Debtors	-	674,071	1,245,212	1,919,283
Cash	-	2,517,488	1,176,173	3,693,661
Liabilities	-	(1,981,902)	(3,037,703)	(5,019,605)
Net assets at 31 Dec 2023	20,463,016	1,460,856	500,646	22,424,518

13. Financial instruments

	Note	2024 £	2023 £
Financial assets at fair value through the statement of financial activities			
Investments	8	22,699,427	21,831,179
		22,699,427	21,831,179

14. Related party transactions

The Co-op Foundation paid Co-operative Group Limited £981,297 (2023: £929,055) for Foundation staff salaries and other costs directly attributable to Foundation activities. The Trustees consider that the support provided by Co-operative Group Limited represents the best value for money for the charitable company, and that it would not be financially beneficial to employ staff directly.

In regard to gifts in kind, the Co-op Foundation relies heavily on Co-operative Group Limited to provide necessary administrative support for additional staff resources, space and related services. This support includes Co-operative Group costs that are not directly attributable to Foundation activities and are not easily monitored. The Trustees' view that value is not easily quantified. This amount was not included as donations as in the Trustees' view, it is not material in either the current or preceding financial period.

Co-operative Group Limited donated £8,077 in fees which were waived by its Group Chair, Allan Leighton (2023: £250,000).

At the year-end £241,985 (2023: £35,258) was due to the Co-operative Group Limited.

During the financial year, the Trustees of the board have not received either remuneration or benefits, however one (2023: seven) Trustees were reimbursed for both their travel and hotel expenses totalling £230 (2023: £1,565).

15. Legal status of the charity

The charity is a company limited by guarantee and has no share capital.



Foundation