

Registered number: 07434158
Charity number: 1139307

LGA Foundation
(A company limited by guarantee)
Annual Report
5 April 2025

LGA Foundation
(A company limited by guarantee)

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Reference and administrative details
Year ended 5 April 2025

Trustees

Mr J P Reece
Mrs S E Reece
Mr J Flynn
Mrs D Mackay

Company registered number

07434158

Charity registered number

1139307

Registered office

6 Austen Way
Crook
County Durham
DL15 9UT

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

LGA Foundation

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Trustees' report Year ended 5 April 2025

The trustees present their annual report together with the audited financial statements of the company for the 6 April 2024 to 5 April 2025. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

● Policies and objectives

The object of the charity is to make grants for the benefit of the public for such charitable purposes as the trustees think fit. The trustees are particularly keen to support projects in the North East of England, reaching those in the region who are most disadvantaged.

The LGA Foundation supports causes helping the most disadvantaged through awarding grants across the North East of England with its main geographic focus on Tyneside and South Northumberland. During the year to 5 April 2025, its priority was raising awareness of its activities to generate applications directly rather than via other funders. The Foundation requests feedback from its beneficiaries to assess the impact of its grant making and to inform future decisions. The Foundation does not have a formal grant making policy, with grants awarded by trustees periodically following assessment and discussion.

The trustees confirm that they have had due regard to the law relating to public benefit and the Charity Commission's guidance on the subject.

● Main achievements of the company

During the year the Foundation gave a total of 45 (2024: 42) grants to support the provision of services by new and existing grantees. Larger grants are detailed below in the financial review. The Foundation also made 11 microgrants totalling £14,430. Total donations (excluding special projects) exceeded the annual £300k donation target that the trustees set for the Foundation. The trustees consider that the grants and donations made during the year met the Foundation's objective to support disadvantaged people across the North East whilst maintaining commitments to existing grantee organisations.

The Foundation has continued to pursue the woodland creation project during the year, for which funds were designated in 2022 (see note 11). Significant progress has been made on planning design and application for necessary consents and the trustees look forward to seeing tree planting get underway in the forthcoming year.

The trustees continue to support Footsteps Children's Services through donations towards their delivery of 1 to 1 SEN to young children in their Dolphin Street nursery premises in Benwell. A significant grant has been pledged to Footsteps to enable it to develop, refurbish and extend its current building so as to improve the services they provide to beneficiaries.

The trustees held discussions during the year with Ali, Lauren and Greg Reece (the adult children of John and Sue Reece) with a view to increasing their involvement in the Foundation's activities in terms of contributing to its funds as well as identifying potential areas of work and specific grantees they would like the Foundation to explore. This resulted in the receipt by the Foundation of an additional £310,000 as well as interesting discussion on its future direction and priorities.

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Trustees' report (continued)
Year ended 5 April 2025

Achievements and performance

● **Going concern**

The trustees have considered the ongoing impact of external environmental factors and the potential impact on investment returns over the coming months and are confident that the charity has sufficient liquidity to meet existing and future committed grant awards and charitable activities.

After considering the above and making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

● **Reserves policy**

The Foundation has no fixed cost base and employs no staff. Consequently it has no need to hold reserves to cover future costs. At 5 April 2025 unrestricted reserves stood at £9,021,587 (2024: £7,573,636) of which £5,890,011 (2024: £6,021,386) are tied up in investments held for future income generation and £1,477,762 (2024: £221,996) is held as cash.

General reserves of £8,665,139 (2024: £7,203,450) are held at high levels at year end due to the present and future uncertainty in the investment market. The trustees have taken into account this uncertainty and consider the levels of reserves held mitigates the risk that the charity can not fulfil its charitable purpose.

● **Financial review**

During the year the charity received donations of £1,878,750, investment income of £166,711 (2024: £170,745) and made grants totalling £356,524 (2024: £333,741).

Charitable causes supported include the welfare and development of vulnerable young people, carers and disadvantaged women. The following grants over £10,000 have been made in the year:

12 Days of Christmas Campaign	£18,000
Wallsend Boys Club	£10,009
Carers Federation	£10,000
Chopwell Youth Project	£10,000
Footsteps Children Services	£10,000
Melanoma-Me Foundation	£10,000
NE Youth	£10,000
Ocean Road Centre Youth Club	£10,000
Pathways 4 All	£10,000
WHIST Women's Health in South Tyneside	£10,000

The applications portal on the website was closed Jan-24 after funds were allocated to end-FY23/24. It was agreed to manage expectations and reduce administration; the portal would remain closed. Trustees agreed to explore projects already identified and of interest inviting to apply if funding was available within budget.

● **Material investments policy**

The trustees work closely with their appointed investment managers in order to maximise the future returns to the charity. Investments are held for income generation to support the activities of the charity in the long term. The trustees meet with the investment managers on an annual basis to discuss the portfolio including social, environmental and ethical considerations taken into account when investing.

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Trustees' report (continued)
Year ended 5 April 2025

- **Plans for future periods**

We will continue to focus on youth charities, women's charities and other open access community organisations that can assist us in delivering our main objective, which is to help build stronger, healthier, and more resilient communities in deprived areas of Tyneside and the wider Northeast region that we support. The additional time we have invested in raising awareness of the Foundation's activities has encouraged more projects to apply for funding. The trustees try to evaluate demand against available budget and must consider closing applications for periods of time to manage expectations. The trustees continue to review mental health provision and support for men and young boys and to identify any opportunities for funding in the future.

Structure, governance and management

- **Constitution**

The company is a charitable company limited by guarantee. The company was incorporated on 9 November 2010 and is governed by the Memorandum and Articles of Association. The board of directors are the charity trustees and make decisions on behalf of the charity collectively.

- **Method of appointment or election of trustees**

The future appointment of trustees is to be made by the founding trustees during their lifetime.

- **Policies adopted for the induction and training of trustees**

New trustees are fully briefed by the existing trustees on the aims, objectives and finances of the Foundation. Further training is considered on a needs basis.

- **Principle risks and uncertainties**

The trustees consider that they have identified the major risks to the charity and have established sufficient controls to mitigate these risks.

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Trustees' report (continued) Year ended 5 April 2025

Statement of trustees' responsibilities

The trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the trustees' 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 . Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Disclosure of information to auditor

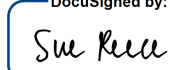
Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable charity's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Auditor

The auditor, UNW LLP, has indicated its willingness to continue in office. The designated trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees on 11 November 2025 and signed on their behalf by:

DocuSigned by:

 243D64DACE81439...
Mrs S E Reece
 Trustee



Independent auditor's report to the Members of LGA Foundation

Opinion

We have audited the financial statements of LGA Foundation ('the charitable company') for the year ended 5 April 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 5 April 2025 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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



Independent auditor's report to the Members of LGA Foundation (continued)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The 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.

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

Matters on which we are required to report by exception

In the light of our 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' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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.



Independent auditor's report to the Members of LGA Foundation (continued)

Auditor's responsibilities for the audit of the financial statements

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

We obtain and update our understanding of the charity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the charity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and UK tax legislation. In addition, the charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines and litigation. We considered the extent to which non-compliance with laws and regulations might have a material effect on the financial statements and we have assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We also evaluated managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to posting inappropriate journal entries to manipulate financial results, management bias in accounting estimates, as well as improper income recognition.

Audit procedures performed by the engagement team included:

- Inquiry of management and those charged with governance regarding actual and potential litigation or claims as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing meeting minutes to identify reported frauds and any potential non-compliance with laws and regulations; and
- Challenging assumptions and judgments made by management in their significant accounting estimates and evaluating whether there was any evidence of bias by the trustees that represented a risk of material misstatement due to fraud.



Independent auditor's report to the Members of LGA Foundation (continued)

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.

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. 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Anne Hallowell

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Anne Hallowell BSc DChA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

11 November 2025

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Statement of financial activities (incorporating income and expenditure account) Year ended 5 April 2025

	Note	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:				
Donations and legacies	2	1,878,750	1,878,750	1,250,000
Investments	3	166,711	166,711	170,745
Total income		2,045,461	2,045,461	1,420,745
Expenditure on:				
Investment management expenses		29,545	29,545	30,275
Charitable activities	4	464,108	464,108	383,696
Total expenditure		493,653	493,653	413,971
Net income before net (losses)/gains on investments		1,551,808	1,551,808	1,006,774
Net (losses)/gains on investments		(165,790)	(165,790)	466,042
Net movement in funds		1,386,018	1,386,018	1,472,816
Reconciliation of funds:				
Total funds brought forward		7,573,636	7,573,636	6,100,820
Net movement in funds	11	1,386,018	1,386,018	1,472,816
Total funds carried forward		8,959,654	8,959,654	7,573,636

All funds in both years are unrestricted.

The notes on pages 13 to 22 form part of these financial statements.

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Balance sheet At 5 April 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	6	-	-
Tangible assets	7	1,118,389	1,118,389
Investments	8	5,890,011	6,021,386
		<u>7,008,400</u>	<u>7,139,775</u>
Current assets			
Debtors	9	625,750	250,000
Cash at bank and in hand		1,477,762	221,996
		<u>2,103,512</u>	<u>471,996</u>
Creditors: amounts falling due within one year	10	(152,258)	(38,135)
Net current assets		<u>1,951,254</u>	<u>433,861</u>
Net assets		<u><u>8,959,654</u></u>	<u><u>7,573,636</u></u>
Charity funds			
Restricted funds	11	-	-
Unrestricted funds	11	8,959,654	7,573,636
Total funds		<u><u>8,959,654</u></u>	<u><u>7,573,636</u></u>

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the trustees on 11 November 2025 and signed on their behalf by:

DocuSigned by:

 243D64DACE81439...
Mrs S E Reece
 Trustee

The notes on pages 13 to 22 form part of these financial statements.

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Statement of cash flows
Year ended 5 April 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	1,123,470	577,765
Cash flows from investing activities		
Dividends, interests and rents from investments	166,711	170,745
Purchase of tangible fixed assets	-	(1,118,389)
Proceeds from sale of investments	4,122,194	4,668,164
Purchase of investments	(4,156,609)	(4,182,378)
Net cash provided by/(used in) investing activities	132,296	(461,858)
Change in cash and cash equivalents in the year	1,255,766	115,907
Cash and cash equivalents at the beginning of the year	221,996	106,089
Cash and cash equivalents at the end of the year	1,477,762	221,996

The notes on pages 13 to 22 form part of these financial statements

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Notes to the financial statements Year ended 5 April 2025

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

LGA Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in pounds sterling which is the functional currency of the charity and are rounded to the nearest £1.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the directors named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Going concern

The financial statements have been prepared on a going concern basis.

Given the matters outlined in the trustees' report, the trustees have considered the additional risks presented and all factors they believe might reasonably impact upon the future outlook of the charity. The charity holds substantial investment assets but maintains sufficient cash reserves to allow it to meet its ongoing commitments. Investments remain high despite some strong market uncertainty consequently the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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Notes to the financial statements Year ended 5 April 2025

1. Accounting policies (continued)

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, including those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and comprises investment manager fees.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.6 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following basis:

Website	-	3 years straight line
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1.7 Tangible fixed assets

Tangible fixed assets are stated at cost, less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of fixed assets over their expected useful lives as follows:

Land	-	not depreciated
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Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

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Notes to the financial statements Year ended 5 April 2025

1. Accounting policies (continued)

1.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the statement of financial activities incorporating income and expenditure account.

1.9 Interest receivable

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

1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the general objectives of the company and which have not been designated for other purposes.

1.14 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing these financial statements the directors do not consider there were any significant areas of judgement or accounting estimates that were required in applying the company's accounting policies as set out above.

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Notes to the financial statements
Year ended 5 April 2025

2. Income from donations and legacies

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	1,878,750	1,878,750	1,250,000
Total 2024	1,250,000	1,250,000	

3. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Dividends	159,862	159,862	159,419
Interest received	6,849	6,849	11,326
	166,711	166,711	170,745
Total 2024	170,745	170,745	

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Notes to the financial statements
Year ended 5 April 2025

4. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Grant funding of activities 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Grant-making activities	-	418,457	31,913	450,370	379,476
Woodland creation	-	-	-	-	4,220
Footsteps	13,738	-	-	13,738	-
Total 2025	13,738	418,457	31,913	464,108	383,696
Total 2024	4,220	333,471	46,005	383,696	

During the year, there were 45 grants (2024: 37) totalling £356,524 (2024: £333,471). Further details of large grants awarded, which are all to institutions, are given in the trustees' report.

Analysis of support costs

	Grant- making activities 2025 £	Total funds 2025 £	Total funds 2024 £
Sundry costs	2,937	2,937	4,227
Grant administration and support	24,441	24,441	37,778
Audit and accountancy fees	4,535	4,535	4,000
	31,913	31,913	46,005
Total 2024	46,005	46,005	

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Notes to the financial statements
Year ended 5 April 2025

5. Auditor's remuneration

	2025 £	2024 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	3,675	3,500

6. Intangible assets

	Website £
Cost	
At 6 April 2024	5,916
At 5 April 2025	5,916
Amortisation	
At 6 April 2024	5,916
At 5 April 2025	5,916
Net book value	
At 5 April 2025	-
At 5 April 2024	-

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Notes to the financial statements Year ended 5 April 2025

7. Tangible fixed assets

	Land £
Cost or valuation	
At 6 April 2024	1,118,389
At 5 April 2025	<u>1,118,389</u>
Net book value	
At 5 April 2025	<u>1,118,389</u>
At 5 April 2024	<u>1,118,389</u>

8. Fixed asset investments

	Listed investments £
Cost or valuation	
At 6 April 2024	6,021,386
Additions	4,156,609
Disposals	(4,134,353)
Revaluations	(153,631)
At 5 April 2025	<u>5,890,011</u>
Net book value	
At 5 April 2025	<u>5,890,011</u>
At 5 April 2024	<u>6,021,386</u>

9. Debtors

	2025 £	2024 £
Prepayments and accrued income	<u>625,750</u>	<u>250,000</u>

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Notes to the financial statements Year ended 5 April 2025

10. Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	150	1,821
Grants awarded but not paid	148,433	32,314
Accruals and deferred income	3,675	4,000
	<u>152,258</u>	<u>38,135</u>

11. Statement of funds

Statement of funds - current year

	Balance at 6 April 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 5 April 2025 £
Unrestricted funds					
Designated funds					
Woodland Creation Project	<u>370,186</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>370,186</u>
General funds					
General funds	<u>7,203,450</u>	<u>2,045,461</u>	<u>(493,653)</u>	<u>(165,790)</u>	<u>8,589,468</u>
Total Unrestricted funds	<u><u>7,573,636</u></u>	<u><u>2,045,461</u></u>	<u><u>(493,653)</u></u>	<u><u>(165,790)</u></u>	<u><u>8,959,654</u></u>

The acquisition of the land at Hedley Park Farm, Hedley on the Hill was completed in December 2023. During the prior year, Pennine Forestry consultants were engaged to advise us on how best to take the project forward. Surveys are being undertaken and plans are in preparation to enable us to obtain all necessary approvals. Our aim is to plant a mix of native broadleaf trees to establish a natural habitat and protect existing wildlife. We intend to improve vehicle access and parking facilities and will encourage community use through social inclusion activities in due course when planting and growth allow.

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Notes to the financial statements Year ended 5 April 2025

11. Statement of funds (continued)

Statement of funds - prior year

	Balance at 6 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 5 April 2024 £
Unrestricted funds						
Designated funds						
Woodland Creation Project	1,492,795	-	(4,220)	(1,118,389)	-	370,186
General funds						
General funds	4,608,025	1,420,745	(409,751)	1,118,389	466,042	7,203,450
Total Unrestricted funds	<u>6,100,820</u>	<u>1,420,745</u>	<u>(413,971)</u>	<u>-</u>	<u>466,042</u>	<u>7,573,636</u>

12. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	<u>1,386,018</u>	<u>1,472,816</u>
Adjustments for:		
Losses/(gains) on investments	165,790	(466,042)
Dividends, interests and rents from investments	(166,711)	(170,745)
Increase in debtors	(375,750)	(250,000)
Increase/(decrease) in creditors	114,123	(8,264)
Net cash provided by operating activities	<u>1,123,470</u>	<u>577,765</u>

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Notes to the financial statements
Year ended 5 April 2025

13. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	<u>1,477,762</u>	<u>221,996</u>

14. Analysis of changes in net debt

	At 6 April 2024 £	Cash flows £	At 5 April 2025 £
Cash at bank and in hand	<u>221,996</u>	<u>1,255,766</u>	<u>1,477,762</u>

15. Contingent liabilities

At the year end, the charity had pledged to fund £458,000 (2024: £151,195) of grants in FY25/26. These grants are contingent on the receiver meeting the performance conditions attached to the grants.

16. Related party transactions

During the year fees totalling £6,365 (2024: £11,493) were paid to J Flynn, trustee, for project costs associated with the Footsteps project and for services to the Foundation in relation to grant assessment and administration.

During the year fees totalling £19,747 (2024: £26,284) were paid to D Mackay, trustee, for services to the Foundation in relation to grant assessment and administration.