

NATURAL RESOURCE CHARTER LIMITED
TRUSTEES' REPORT FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2024

Registered Charity Number 1144326

Registered Company Number 07645971

NATURAL RESOURCE CHARTER LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company Number 07645971

Registered Charity Number 1144326

**Principal and
Registered Office** Jasper House,
4-6 Copthall Avenue
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London
EC2R 7DA

Trustees Alan Detheridge
Joseph Charles Bell
Mark Henstridge
Meghna Abraham

Managing Director Elizabeth McGrath

Bankers Lloyds Bank plc
25 Gresham Street
London
EC2V 7HN

Auditor HaysMac LLP
10 Queen Street Place
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NATURAL RESOURCE CHARTER LIMITED

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees are pleased to present their annual directors' report together with the financial statements of Natural Resource Charter Ltd (NRCL) for the year ending 31 December 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

STRUCTURE, MANAGEMENT AND OBJECTIVES

The charitable company is controlled by its Memorandum and Articles of Association. It was incorporated on 24th May 2011 (Company Number 7645971) and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006, and is also registered as a charity (Charity Number 1144326).

The trustees are appointed by the Member, Natural Resource Governance Institute ("NRGI"). The charity provides induction materials for new members and training as required.

OBJECTIVES AND ACTIVITIES

The charity's objects ("Objects") are specifically restricted to the following:

To contribute to fair, prosperous and sustainable societies by advancing citizen and government efforts in resource-rich countries to:

- Drive systemic change to avoid harms from mining and equitably benefit from the responsible scale up of transition minerals necessary to avert global climate catastrophe.
- Build inclusive economies that end dependence on fossil fuels and advance a just energy transition for citizens.
- Manage revenues from natural resources accountably in response to citizen priorities.

NRCL provides policy advice and advocacy infused with lessons learned in the field and with insights developed through rigorous research. NRCL shares knowledge and experience freely with policymakers, accountability actors and the global campaign for improved international norms. NRCL is particularly well-placed to convene reform-oriented dialogue and to engage in constructive policy advocacy.

NRCL embraces multi-stakeholder approaches and remains focused on core competencies, such as the research on natural resource governance and the energy transition. At the country level NRCL provides training, technical assistance and support on how to deliver transparency and accountability, including through implementation of the Extractive Industries Transparency Initiative, and the use of data; strengthening fiscal systems and reform of state-owned enterprises; and improvements in the management of resource revenues. NRCL also promotes the uptake of global norms of transparency and governance. NRCL seeks to produce measurable change in the direction of more effective and more open management of natural resources.

NRCL staff work under a cooperation agreement with the Natural Resource Governance Institute (NRGI) its sole member, a U.S. registered charity, NRCL became active in November 2014 with the transfer of the UK operations of NRGI. In addition, employees of Open Society Foundation (Company Number 04571628) previously seconded to NRGI were transferred to NRCL. NRGI has adopted a strategic plan for the organisation that includes NRCL's proposed activities. NRCL's trustees have reviewed and approved this plan on behalf of NRCL. Through technical advice, advocacy, applied research, policy analysis, and capacity development, NRCL works with innovative agents of change within government ministries, civil society, the media, legislatures, the private sector, and international institutions to promote accountable and effective governance in the extractive industries. NRCL's staff have depth in capacity development and applied research and analysis.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

ACHIEVEMENTS AND PERFORMANCE

The largest share of the NRCL budget covers staff salaries, benefits and office costs. Sixteen staff are based in the London office, spanning senior management, governance, legal and economic programs, capacity development, communications, fundraising, human resources and operations. They support global, regional and country projects, engage with institutions such as multilateral agencies and private sector actors, conduct research and analysis, participate in major convenings and lead NRGI's research and capacity-building efforts. They also collaborate with country teams to implement NRGI's strategies. Key contributions in 2024:

- Governance team members led global advocacy on transition minerals governance and anti-corruption.
- Legal and economic programs staff advanced work on energy transition research.
- Operations, including HR, provided the organizational backbone.
- Fundraising staff led donor relations and resource mobilization.
- A capacity development team member oversaw international courses with Oxford and ETH Zurich.
- The managing director drove organizational effectiveness, strategy development and program implementation.

In 2024 NRGI staff co-created a new 2025–2030 strategy for approval in 2025. NRCL staff contributed to major progress across NRGI's priorities through research and analysis and direct engagement with civil society, governments and international organizations. The following highlights key achievements from NRCL's work in 2024:

Providing global and regional thought leadership on transition minerals governance

In 2024, and building on groundwork laid in previous years, NRGI strengthened its role as a global thought leader and trusted source of assistance in transition minerals governance, engaging in key international and regional forums and spaces to amplify producer country perspectives and leveraging local and global knowledge for change.

A significant milestone was our participation – as one of two civil society organizations – in the UN Secretary-General's Panel on Critical Energy Transition Minerals. The Panel's [report](#), which includes principles and actions, represents a key contribution toward advancing a more just and equitable paradigm for responsible mining. Our technical contributions and input throughout the process helped to ensure that the principles of [equity and justice](#) were embedded in the Panel's final recommendations. Following the launch of the Panel's report, we convened and engaged actors to discuss next steps and implementation of the recommendations. During the New York Climate Week in September, and in partnership with [Oxfam](#) and [Publish What You Pay](#), we co-organized a [briefing](#) with panel members on the outcomes of the process and next steps. At COP16 in Cali, we [supported](#) Colombia's launch of a joint voluntary declaration on responsible mining practices and call to establish a multistakeholder group to begin discussions ahead of COP30, which aligns with the UN panel's recommendations and is a key step toward establishing a binding international agreement on traceability and due diligence. At [COP29](#), and drawing connections to the panel's recommendations on value addition, benefit sharing, economic diversification, traceability and centrality of human rights, we emphasized the importance of [financing, anticorruption, and civic space](#) for just and equitable transition mineral supply chains. In December, we hosted a convening at the Rockefeller Bellagio Center with leading thinkers from Africa, Asia and Latin America to discuss transition minerals and options to implement the panel's recommendations. In parallel to these fora, we continued to develop written guidance for stakeholders in key policy areas, such as [mineral value addition](#).

Recognizing the growing importance of state-state mining partnerships, NRGI proactively engaged with international actors to [highlight gaps in transparency and governance](#) within these emerging mineral supply agreements. During the [opening panel](#) of the OECD Responsible Minerals Forum in May, we emphasized transparency as a key starting point for ensuring these partnerships help advance a just and equitable energy transition, and we co-organized a session on [levers for policy action](#) where we highlighted the need to address corruption in partnerships and global standards and legislation. We updated [ResourceContracts.org](#) – a repository of publicly available oil, gas, and mining contracts – with documents related to these types of state-state mining partnerships, to ensure accessibility of the details on these partnerships which are available. In collaboration with the International Energy Agency (IEA), with whom we formalized a partnership through a [memorandum of understanding](#) in July, we stressed the importance of [improving these partnerships](#) through enhanced transparency, greater attention to mineral producing countries' needs, incorporation of incentives for responsible mining practices, and ensuring consultation with relevant stakeholders including civil society and rightsholders. We [spoke](#) at the annual meeting of the Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development on how these

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TRUSTEES' REPORT (continued)

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partnerships intersect with lower-income countries' goals of value addition, and we participated in the invite-only Minerals Security Partnership Forum during [EU Raw Materials Week](#) in December.

We also played an active role at the Africa Mining Indaba in February 2024, leading and contributing to several [discussions](#). We emphasized the need for tax reforms, value addition, citizen beneficiation, and adoption of inclusive and responsible mining practices and produced a [piece](#) highlighting the need to include community voices in the Mining Indaba. At the [Alternative Mining Indaba](#), we led a capacity-building [workshop](#) on "Addressing Corruption in Energy Transition Minerals in Africa – How can Women and Communities Benefit?", in collaboration with the Extractives Industries Transparency Initiative (EITI). These platforms provided opportunities to share our latest analyses and thinking and amplify calls for enhanced mineral governance in panel discussions.

Working towards just transitions in fossil fuel producing countries

NRGI has focused on supporting just transitions in regions such as the Middle East and North Africa (MENA), Latin America, and sub-Saharan Africa, by facilitating inclusive dialogues, co-creating narratives, and conducting and sharing rigorous research to inform policy discussions and decisions.

In Mexico, our research on Pemex and the country's energy transition gained significant traction in 2024. Our report, "[Pemex and the Energy Transition: Timely Answers to Growing Challenges](#)" was widely cited in national media outlets like [Forbes](#), [El Financiero](#), [Oil and Gas Magazine](#), and [Energía a Debate](#), and over 150 people attended the report's launch [webinar](#), including representatives of the Secretariat of Environment, the National Hydrocarbons Commission, and the Chamber of Deputies. We also contributed to making the future of Pemex a more prominent issue during the presidential campaigns through our participation in discussions about the [National Decarbonization Plan](#) with representatives from all Presidential candidate [teams](#). In May, we met with EMIA members to stress the need for stronger regulatory oversight of Pemex's emission reduction targets, further detailed in our report, [Closing Implementation Gaps: Recommendations for Pemex to Meet its Emission Reduction Goals](#). After the elections, we emphasized Pemex's role in climate and energy transition plans, by sending a [technical note](#) on transition risks to the Ministry of Energy and engaging with Chatham House experts. This engagement amplified our messages internationally through media like [Climate Home News](#), the [BBC](#) and [El País](#). At [COP29](#), we highlighted the need to include [Pemex in Mexico's updated NDC](#) to support its net-zero ambition for 2050.

In Colombia, we continued our efforts on [narratives](#) around just energy transitions, aiming to amplify diverse voices in a public discourse often dominated by economic and political actors against fossil fuel phase-out. Building from our work in 2023 where we worked closely with civil society to co-create a [metanarrative](#) emphasizing the country's potential beyond oil and gas, this [year](#) we validated the metanarrative with a broader group of CSOs and local communities, and we worked on narratives at subnational level (in one coal-producing region and two oil-producing regions), recognizing that regions face diverse challenges and that communities have varying priorities and working to highlight these specificities.

Promoting transparency in the oil and gas sectors in Senegal and Nigeria

Transparency in fossil fuel governance is essential to ensure that resource wealth translates into public benefit. In Senegal and Nigeria, through evidence, convening and advocacy, we have worked to advance progress in public disclosure practices.

We accompanied the Nigeria Extractive Industries Transparency Initiative (NEITI) by developing a new data collection template that was integrated into NEITI's 2022 and 2023 [oil and gas audits](#), resulting in 15 companies disclosing their greenhouse gas and methane emissions. This advancement aligns with global best practices and empowers civil society and the public to hold both government and private actors accountable for their environmental impacts. Additionally, following years of advocacy by [CSOs](#) including NRGI, Nigeria's [Decade of Gas plan](#) was officially published in May, marking a significant milestone for transparency and accountability, as civil society actors and the public now can review, understand and interrogate the government's gas strategy. This ensures that gas development aligns with a sustainable energy future and a just energy transition. We are continuing efforts to [recommend ways](#) in which the Decade of Gas plan can strengthen its financial sustainability, alignment with adequate domestic energy access, and adaptability to the global energy transition context

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In Senegal, the publication on [EITI's website](#) of annexes to Senegal's 2019 Petroleum Code—long sought by accountability actors and a recommendation from our 2023 briefing paper "[Why Senegal Should Minimize Petroleum Operations Emissions](#)", which received significant [attention](#) and press [coverage](#)—is an important initial action to facilitate informed public debate, increased public scrutiny and opened avenues for more informed discussions on emissions reduction and resource management.

In addition, our [research](#) on the gas-to-power sector in Senegal, published in July 2024, arrived at a crucial moment, as the nation strives to reduce electricity costs and expand its energy capacity by up to 3GW. The gas to power project is seen as a cornerstone for Senegal's energy future, especially for the 4 million rural citizens still without reliable electricity. However, the report highlights the significant information gaps between the government, civil society, and media, where public discourse is overly centered on a divisive debate about gas use, further complicated by government opacity and outdated strategies. The report was shared with key stakeholders and policymakers, and a [dedicated discussion](#) was held in October with these stakeholders, civil society, and the media. The report has contributed to managing expectations, highlighting challenges associated with large-scale gas expansion, and increasing attention to renewable energy, as reflected in the [Vision 2050](#), which explicitly references the 50% renewables target for new power plants. As Senegal forges ahead, the report's recommendations will be pivotal in managing expectations, ensuring an optimal gas expansion, and guiding a sustainable energy transition that sufficiently prioritizes renewables and energy efficiency.

Capacity development and knowledge sharing on resource governance and the energy transition

Building capacity among various stakeholders remains a cornerstone of our work. In 2024, NRG co-hosted an advanced course with ETH Zurich's NADEL Center for Development and Cooperation titled 'Natural Resource Governance and Energy Transition: Policies and Practice.' As part of this course, which aimed to equip practitioners and policymakers with knowledge and hands-on tools to navigate the energy transition and improve extractive industries governance and oversight for a better and more just future, NRG, organized in collaboration with the Gordon and Betty Moore Foundation the panel 'Forests and the Energy Transition: Navigating Sustainable and Just Pathways'. This event focused on regions significantly impacted by deforestation, internal extraction, oil production and energy generation: Colombia, Peru, Indonesia, and the Democratic Republic of Congo (DRC); and examined the complexities of energy transition initiatives in the context of ongoing environmental concerns, indigenous rights and socio-economic dynamics. Planning for the 2025 edition is already underway, with an expanded curriculum that will further explore forest conservation and socio-environmental impacts of energy projects.

NRG also collaborated with the Blavatnik School of Government at Oxford University to host the annual Executive Course on Managing Mining, Oil, and Gas for National Development. Held in September, the course brought together 53 participants from 19 countries and covered technical policy aspects of resource management and facilitated dialogue among diverse stakeholders. As part of the course, NRG organized a Gender Breakfast that convened 30 participants and seven faculty members to discuss gender dynamics in extractive industries. Discussions highlighted how energy transitions often overlook women's needs, particularly those in lower-skilled or vulnerable roles, which can lead to women being disproportionately affected. During the event, NRG introduced its newly published primer, [Fostering Gender-Just Energy Transitions in Mineral- and Fossil Fuel-Producing Countries](#), which outlines challenges, opportunities, and practical recommendations for integrating gender considerations into resource governance.

In addition to these global courses, NRG organized two regional summer schools in Africa. In July, the Francophone Africa Extractive Industries Knowledge Hub hosted a session in Yaoundé, Cameroon, gathering 23 participants from eight francophone African countries to explore topics including contracts, mining and oil taxation, revenue management, and environmental and social impacts, with each mainstreaming energy transition issues. Participants also attended an international conference under the theme "Socially Just and Inclusive energy Transition in Africa: Issues and Challenges. In August, the Africa Centre for Energy Policy (ACEP) and NRG organized a one-week intensive summer school a similar program in Accra, Ghana, which brought together over 30 participants from eight countries across Anglophone Africa to examine extractive governance challenges and opportunities during the energy transition. With experts, participants explored topics such as resource extraction and energy transition, transition mineral governance and engaged in a policy lab discussion to rethink energy and extractive governance in Africa. Learners also gained practical insights by attending the "Future of Energy Conference" which offers a platform to explore innovative solutions and strategies for a sustainable energy future for Africa.

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KEY MANAGEMENT PERSONNEL

In 2024, NRGi's senior management team was based in the US, except for the Senior Director of Programs, based in Colombia, and the Managing Director, based in the UK. NRCL bore the costs of the Managing Director.

The Governing Board of NRGi is responsible for establishing/reviewing the compensation (salary and benefits) of all NRGi senior executives inclusive of the Managing Director. Staff pay is set using external benchmarking of the applicable local market(s).

RISK REVIEW

NRGI has a centralized approach to risk management and manages its insurance policies globally. In addition to the organisation-wide assessments of the operating environment (People, Property, Compliance, and Income), NRGi also reviews individual projects. The Project Leads carry out risk assessments for each project as it is launched, which are updated periodically. In 2024 NRGi's country offices generated individual risk registries, adapted to the particular risk they could face in their areas of intervention.

The following table draws upon an internal risk register that is updated regularly as part of a larger dashboard for our board of directors. The table considers specific risks for NRCL, within the broader NRGi context. NRCL's income is entirely derived through a service agreement with its parent NRGi, with NRCL transactions chiefly concerning UK-based staff and the operating cost of the London office. While further risks are included in NRGi's internal risk register, the following table only presents risks with the highest potential likelihood and impact.

Description	Mitigation
Financial Risks	
Limited unrestricted funding from donors to cover NRGi activities -There is a reduction in the number of donors that are interested in signing unrestricted grants. Low level of restricted funding available for NRGi to implement its new strategy- Reduction in the UK aid funding budget and closure of the USAID, which have been key donors for NRGi	<ol style="list-style-type: none">1. Continue to diversify donor pool.2. Further professionalize our development efforts.3. Review business model assumptions (including staffing) and conduct scenario planning.4. Adapt NRGi's strategy to attract new funders.5. Consider indirect cost recovery in restricted funding budget.6. Increase NRGi's ability to price its offerings and leverage restricted funds.7. Increase Efficiency and Cost Optimization, by reviewing current programs and operational costs to identify areas where resources can be optimized without compromising impact.8. Leverage technology to enhance efficiency in program delivery and reduce overhead costs where possible.
Political Risks	
NRGI's staff interventions and programs in an increasingly polarized political context are seen as partisan.	<ol style="list-style-type: none">1. Ensure the continued rigor and credibility of our interventions.2. Maintain partnerships across the political spectrum.3. Leverage credibility to remedy any such allegations.
People Risks	
Loss of key staff.	<ol style="list-style-type: none">1. Ensure cross training among team members to create redundancy and limit risk when turnover occurs.2. Ensure robust information and knowledge management to facilitate transitions when they occur.3. Recruit for key vacancies that will deepen the staff bench.4. Engage with high performers to support professional development and job satisfaction.

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Staff potentially exposed to harm in the course of performing their duties.	<ol style="list-style-type: none"> 1. In 2024, International travel is common. Staff travelling is required to confirm that they have read relevant guidance and alerts (including those related to medical necessities). To access updated information, NRCL has before and during travel access to ISOS security portal where security reports are regularly updated. 2. NRGI has global insurance, including for special events during travel. 3. NRGI has medical evacuation and repatriation insurance for employees in need of serious medical attention in risk areas. 4. Emergency plans have been developed for all offices.
Staff do not act in accordance with the ethics and conflict of interest policies. Staff may fail to follow procedures, resulting in impact on business continuity, reputation or finances.	<ol style="list-style-type: none"> 1. NRGI ensures staff are aware of and understand formal employment policies through a more robust onboarding process. 2. Conflict of Interest Policy is reviewed annually, updated as needed and conflicts are flagged and reviewed.
Reputational Risks	
Strategic Relevance - In the context of the climate crisis and the acceleration of the green agenda brought on by Covid-19, NRCL needs to accelerate its pivot towards these issues to ensure its continued relevance	<ol style="list-style-type: none"> 1. Invest in advancing NRGI's work on the energy transition. 2. Communications efforts will continue to reposition NRGI in the current context. Additional efforts related to the launching of 2025-2030 Strategy.
NRCL is perceived as a "Global North"-dominated organization that is insufficiently connected to ideas, priorities, narratives and politics of people in resource-rich developing countries, limiting our ability to maintain strong partnerships, stay relevant in national/regional discussions and generate strong impact.	<ol style="list-style-type: none"> 1. Ensuring our policies, practices, programming and culture prioritize and respond to the voices and perspectives of partners and staff in the countries where we work. 2. Enhancing partnerships to ensure collaboration in the development of an evolving agenda for resource governance that reflects priorities of the Global South, stronger trust/ideas-generation with national and local actors 3. Decentralizing the organization's center of power strategically and operationally, ensuring strong leadership from our regional teams.
Description	Mitigation
Protection of Assets	
Disaster (fire/ flood) leading to loss of essential assets or critical data.	<ol style="list-style-type: none"> 1. All systems are cloud-based with recurring backup performed. 2. Individual laptops backup through OneDrive (Cloud-based). 3. Relevant insurance is in place that includes anti-phishing trainings for all staff.
System issues (e.g. virus, hacked, unauthorized access, system down).	
Fraud , theft or misappropriation of assets.	<ol style="list-style-type: none"> 1. All payments require set-up / approval (segregation). 2. Funds transferred to NRCL monthly, so limited funds on hand or accessible. 3. Monthly bank reconciliations performed, with all individual transactions reviewed and approved centrally. 4. Relevant insurance is in place.

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TRUSTEES' REPORT (continued)

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PUBLIC BENEFIT

The trustees confirm that they have referred to the Charity Commission's general guidance on Public Benefit when reviewing and shaping the charity's aims and objectives for the year and planning future activities. The charity works to ensure that its programmes are inclusive, accessible, and responsive to the needs of its intended beneficiaries.

FUNDRAISING POLICY

The Charity does not carry out any external fundraising activities and did not receive any complaints.

RESERVES POLICY

The Trustees believe it is not necessary to mandate a specific level of reserves and introduce an independent reserve policy considering the cooperation agreement with NRGi. NRGi adopted a comprehensive reserves policy as of April 2019 that includes NRCL. The current reserve level is £59,458. The reserve level is reviewed at each board meeting.

FINANCIAL REVIEW

Income for the year ended December 31, 2024, and 2023 was £1,671,930 and £1,924,716, respectively, comprising contributions from NRGi. Expenses were £1,711,165 and £1,887,972, respectively, comprising primarily staff costs and office costs. Staff costs drove the decrease in expenses as headcount decreased, this was offset by a decrease in cash held at the end of the year. This has resulted in a deficit of £39,235 (2023; £46,011 surplus) for the period and with the Net Assets of £59,458 (2023; 98,963). All income and expenditure in the year were unrestricted.

PLANS FOR THE FUTURE

NRCL staff will be implementing the NRGi approved 2025-2030 strategic plan approved in January 2025 and will be carrying work in line with the strategy. NRGi will continue its role as an independent, global policy analysis and advocacy institute that works collaboratively to generate and translate knowledge into policy reform in resource-rich countries. NRGi will share good practice, captured in the Natural Resource Charter as intellectual framework, through analysis of the evidence and contextually relevant tools and approaches

NRGi will strengthen local accountability actors, with an emphasis on civil society, to hold governments accountable and to contribute to policy reform by building their technical capacities and enabling access to key decision makers and influencers. NRGi will support reform-minded policy makers by providing credible analysis and evidence to make informed decisions in the best interests of current and future generations. NRGi will reinforce our work to build domestic capacity for change by targeting regional and global influencers.

NRCL staff will support the following strategic objectives:

To contribute to fair, prosperous and sustainable societies by advancing citizen and government efforts in resource-rich countries to:

- Drive systemic change to avoid harms from mining and equitably benefit from the responsible scale up of transition minerals necessary to avert global climate catastrophe.
- Build inclusive economies that end dependence on fossil fuels and advance a just energy transition for citizens.
- Manage revenues from natural resources accountably in response to citizen priorities.

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also directors of the charitable company for the purpose of company law, are responsible for preparing the Trustee Report and the accounts in accordance with applicable law in the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to accounts for each financial year which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the income and expenditure of the charitable company of the period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the companies act 2006. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far we are aware, there is no relevant audit information of which the company's auditors are unaware. We have taken appropriate steps identify any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

In November 2024, our auditor changed its name from Haysmacintyre LLP to HaysMac LLP. HaysMac LLP have expressed their willingness to continue in service and offer themselves for re-appointment at the next annual General Meeting.

SMALL COMPANY NOTE

In preparing this report, the trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Signed by order of the Board of Trustees on



Meghna Abraham, Trustee

Date: May 9th 2025

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NATURAL RESOURCE CHARTER LIMITED

We have audited the financial statements of the Natural Resource Charter Limited for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 31 December 2024 and of the charitable company's net movement in funds, including the 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 charity 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 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NATURAL RESOURCE CHARTER LIMITED

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company 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 trustees 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' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 7, 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

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 is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements of the Charities Act, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Companies Act 2006 and the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management override. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

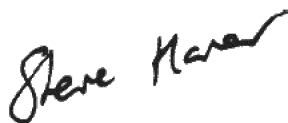
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NATURAL RESOURCE CHARTER LIMITED

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.

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Steve Harper (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditors
Date 16 June 2025

10 Queen Street Place
London
EC4R 1AG

NATURAL RESOURCE CHARTER LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds	
		Totals	Totals
	Notes	2024	2023
		£	£
Income from:			
<i>Donations</i>		1,671,930	1,924,716
Total		<u>1,671,930</u>	<u>1,924,716</u>
Expenditure on:			
<i>Charitable activities</i>			
Direct charitable expenditure	3	1,711,165	1,878,705
Total		<u>1,711,165</u>	<u>1,878,705</u>
Net movement in funds		(39,235)	46,011
Reconciliations of funds			
Total funds brought forward		98,693	52,682
Total funds carried forward		<u><u>59,458</u></u>	<u><u>98,693</u></u>

All transactions are derived from continuing activities.

All gains and losses recognised in the year are included in the Statement of Financial Activities.

The accompanying notes form part of these financial statements.

NATURAL RESOURCE CHARTER LIMITED

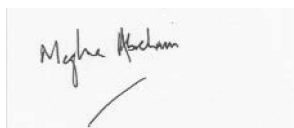
BALANCE SHEET

AS AT 31 DECEMBER 2024

COMPANY NUMBER 07645971

	Notes	£	2024	£	£	2023	£
FIXED ASSETS							
Tangible fixed assets	6			6,664			15,996
CURRENT ASSETS							
Cash at Bank			2,873			61,680	
Debtors	7		119,339			119,358	
			<u>122,212</u>			<u>181,038</u>	
Creditors: Amounts falling due within one year	8		<u>(69,418)</u>			<u>(98,341)</u>	
NET CURRENT ASSETS				52,794			82,697
NET ASSETS				<u>59,458</u>			<u>98,693</u>
FUNDS							
Unrestricted funds							
General	10			59,458			98,693
				<u>59,458</u>			<u>98,693</u>

The financial statements were approved and authorised for issue by the Board of the Trustees on 9th May 2025 and were signed below on its behalf by:



Meghna Abraham, Trustee

The accompanying notes form part of these financial statements.

NATURAL RESOURCE CHARTER LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Total funds 2024 £	Total funds 2023 £
Cash /inflows from operating activities	(58,298)	54,552
Cash flows from investing activities:		
Purchase of tangible fixed assets	(509)	(17,187)
Decrease in cash and cash equivalents in the reporting period	(58,806)	37,365
Cash and cash equivalents at the beginning of the reporting period	61,680	24,315
Cash and cash equivalents at the end of the reporting period	2,873	61,680
	2024 £	2024 £
Reconciliation of net movement in funds to cash flow from operating activities		
Net movement in funds	(39,235)	46,011
Depreciation	9,841	8,693
(Increase)/decrease in debtors	19	(2,342)
Increase/(decrease) in creditors	(28,923)	2,189
Net cash used by operating activities	(58,298)	54,552
	2024 £	2024 £
Analysis of cash and cash equivalents		
Cash in hand	2,873	61,680
Total cash and cash equivalents	2,873	61,680

Analysis of changes in net fund

	At 1 January 2024	Cash Flow	Other cash changes	At 31 December 2024
	£	£	£	£
Cash and bank	<u>61,680</u>	<u>(58,806)</u>	-	<u>2,873</u>

NATURAL RESOURCE CHARTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES

Basis of Preparation

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) – (Charities SORP (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Natural Resource Charter Limited meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going Concern

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

The Trustees have received confirmation from the charitable company's parent entity, NRGI, that it will continue to provide financial support to the charitable company for the foreseeable future. Based on this, and taking into account the funding arrangements in place, the Trustees consider it appropriate to prepare the financial statements on a going concern basis.

Income

Incoming resources represent donations, including donated services received from the parent charity, NRGI, and is accounted for on a receivable basis. All income is recognised once the charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably.

Charitable Expenditure

Charitable expenditure consists of all expenditure relating to the objective of the Charity. All costs are directly attributable to the activities under which they have been analysed.

Governance Costs

Governance costs include expenditure on the governance of the Charity and are primarily associated with constitutional and statutory requirements.

Tangible Fixed Assets

Fixed assets costing US\$1,000 or its equivalent in local currency or more, with a useful life of at least one year are capitalised. As an alternative to prorating the depreciation in the year of acquisition or disposal, the charity takes one half year of depreciation in both the years of acquisition and disposal. Depreciation is calculated by the straight-line of the estimated useful lives of the assets on the following basis

Fixtures & equipment	- 10 years
Computer equipment	- 3 years
Other office equipment	- 7 years
Website	- 5 years
Leasehold improvements	- Term of lease

Funds

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

Pension

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

NATURAL RESOURCE CHARTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES (continued)

Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on Page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

Estimates and 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. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. The Trustees consider depreciation to be subject to estimation and judgement.

Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Employee benefits

- **Short term benefits**

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

- **Employee termination benefits**

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

2. NET MOVEMENT IN FUNDS

	2024	2023
	£	£
The net movement in funds is stated after charging:		
Auditor's fee	18,300	17,500
Depreciation	9,841	8,693

During the year, no Trustees received any remuneration (2023: £Nil)

During the year, no Trustees received any benefits in-kind (2023: £Nil)

During the year, no Trustees received any reimbursements of expenses (2023: £Nil)

NATURAL RESOURCE CHARTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

3. CHARITABLE ACTIVITIES	Direct Staff costs	Direct Other and Governance costs	Total 2024	Total 2023
	£	£	£	£
Technical advice, advocacy, applied research, policy analysis, and capacity development	1,303,819	407,345	1,711,165	1,878,705
Prior year comparative - 2023	1,403,154	475,551	1,878,705	1,878,705

Included within Direct Other and Governance costs is an amount of £46,014 (2023: £40,496) relating to support costs for one member of staff.

4. GOVERNANCE COSTS	2024 £	2023 £
Auditor's fee	18,300	17,500
	<u>18,300</u>	<u>17,500</u>

Governance costs have been allocated to charitable activities in full.

5. STAFF COSTS AND NUMBERS	2024 £	2023 £
Staff costs during the year were as follows:		
Wages and salaries	1,067,761	1,149,953
Social security costs	130,287	139,441
Pension costs	105,771	113,760
	<u>1,303,819</u>	<u>1,403,154</u>

The average number of full-time equivalent employees during the two years was as follows:

	2024 Number	2023 Number
Programmatic staff	11	12
Communications, administration and accounting	5	6
	<u>16</u>	<u>18</u>

The number of higher paid staff whose taxable emoluments fell into higher salary bands were:

	2024 Number	2023 Number
£60,001 - £70,000	2	2
£70,001 - £80,000	2	1
£80,001 - £90,000	-	1
£90,001 - £100,000	-	2
£100,001 - £110,000	2	2
£110,001 - £120,000	-	1
£120,001 - £130,000	2	-
£130,001 - £140,000	1	-

Key management remuneration was £143,059 (2023: £130,631). The charitable company operates a defined contribution pension scheme. During the year contributions paid across totalled £105,771 (2023: £113,760). At the year-end there were outstanding contributions of £0 (2023: £0).

NATURAL RESOURCE CHARTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

6. TANGIBLE FIXED ASSETS

	Fixtures & Fittings	Other equipment £	Leasehold Improvements £	Total 2024 £
Cost				
At 1 January 2024	8,115	130	16,324	24,569
Additions	-	509	-	509
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2024	8,115	638	16,324	25,078
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 January 2024	1,429	47	7,097	8,573
Charge for the year	816	592	8,433	9,841
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2024	2,245	639	15,530	18,414
	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Value				
At 31 December 2024	5,870	-	793	6,664
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2023	6,686	83	9,227	15,996
	<hr/>	<hr/>	<hr/>	<hr/>

7. DEBTORS

	2024 £	2023 £
Prepayments	52,200	50,193
Advances to employees	59	2,085
Security deposits	67,080	67,080
	<hr/>	<hr/>
	119,339	119,358
	<hr/>	<hr/>

8. CREDITORS: amounts due within one year

	2024 £	2023 £
Trade creditors	38,403	55,901
Accrued expenses	31,015	42,571
	<hr/>	<hr/>
	69,418	98,472
	<hr/>	<hr/>

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Total funds/ Unrestricted Funds £
Represented by:	
Fixed assets	6,664
Current assets	122,212
Current liabilities	(69,419)
	<hr/>
Fund balances at 31 December 2024	59,458
	<hr/>

NATURAL RESOURCE CHARTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2024

10. FUNDS	Balance 1 January 2024 £	Income £	Expenditure £	Balance 31 December 2024 £
General Fund	98,693	1,671,930	(1,711,165)	59,458
Total unrestricted funds	<u>98,693</u>	<u>1,671,930</u>	<u>(1,711,165)</u>	<u>59,458</u>
FUNDS – COMPARATIVES 2023	Balance 1 January 2023 £	Income £	Expenditure £	Balance 31 December 2023 £
General Fund	52,682	1,924,716	(1,878,705)	98,693
Total unrestricted funds	<u>52,682</u>	<u>1,924,716</u>	<u>(1,878,705)</u>	<u>98,693</u>

11. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The entity is a company limited by guarantee with no share capital. The company is controlled by its members who have equal voting rights.

12. OPERATING LEASE NOTE

The total of the future minimum lease payments at the end of the year are:

	2024 Leasehold £	2023 Leasehold £
Not later than 1 year	111,800	134,160
Later than 1 year and not later than 5 years	145,340	11,180
	<u>11,180</u>	<u>145,340</u>

13. RELATED PARTIES TRANSACTION

Natural Resource Governance Institute (NRGI), is a charity registered in the United States of America. There is a Cooperation Agreement between the entities. During the year, donations of £1,671,929.72 (2023: £1,924,716) was received from NRGI. There are no other related parties in the current or prior period.