

WOODSMITH FOUNDATION LIMITED

England & Wales · Charity number 1163127

Details

Other names	SIRIUS MINERALS FOUNDATION LIMITED, YORK POTASH FOUNDATION
Status	Registered
Legal form	Charitable company
Company number	08087609
Registered	2015-08-13
Register	View on the Charity Commission register

Contact

Address	Woodsmith Mine Sneaton Whitby North Yorkshire YO22 5BF
Phone	07724832982
Email	info@woodsmithfoundation.org.uk
Website	www.woodsmithfoundation.org.uk

Activities

Objects: 1) ADVANCE EDUCATION INCLUDING BY SUPPORTING PROJECTS AND TRAINING THAT BENEFIT PEOPLE FROM THE AREA OF BENEFIT BY ENHANCING THEIR SKILLS;2) PROMOTE THE GENERAL HEALTH OF THE COMMUNITY;3) ADVANCE ENVIRONMENTAL PROTECTION AND IMPROVEMENT INCLUDING BY ENHANCING THE LOCAL LANDSCAPE;4) PROVIDE AND IMPROVE FACILITIES IN THE INTERESTS OF SOCIAL WELFARE AND LEISURE TIME OCCUPATION WITH THE OBJECTIVE OF IMPROVING THE CONDITIONS OF LIFE FOR THE RESIDENTS; AND 5) RELIEVE THOSE IN NEED BECAUSE OF FINANCIAL HARDSHIP BY VIRTUE OF BEING OUT OF WORK, PARTICULARLY THE LONG TERM UNEMPLOYED, BY HELPING THEM TO GAIN SKILLS.

Activities: When operational, the Foundation will make grants towards projects and individuals/organisations which match the criteria set out in the charitable objects of the approved Articles of Association. The charity is required to invest a proportion of its' income and to adhere to a maximum expenditure outside the 'area of interest' of 25% of income.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Other Finance
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Arts/culture/heritage/science, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Other Defined Groups

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,114,022	£1,428,186	£1,286,740	4
2023-12-31	£1,009,166	£1,040,646	£1,600,904	4
2022-12-31	£3,251	£882,298	-	-
2022-05-31	£1,000,123	£1,149,568	£2,511,431	1
2021-05-31	£1,000,058	£419,898	£2,660,876	1

Trustees

Name	Role	Appointed
Dr Elizabeth Walmsley		2021-03-09
IAN CAMERON SWALES		2018-09-11
Jacqueline Flynn		2020-05-20
Jonathan Dunn		2026-01-20
Laura Mumford		2026-01-28
Martin James Narey Sir		2021-04-21
William Buxton Woods		2021-04-29

WOODSMITH FOUNDATION LIMITED

England & Wales - Charity number 1163127

Accounts

REGISTERED COMPANY NUMBER: 08087609 (England and Wales)
REGISTERED CHARITY NUMBER: 1163127

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
FOR
WOODSMITH FOUNDATION LIMITED**

Fortus Audit LLP
Equinox House, Clifton Park
Shipton Road
York
Yorkshire
YO30 5PA

WOODSMITH FOUNDATION LIMITED
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For The Year Ended 31 December 2024

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WOODSMITH FOUNDATION LIMITED
CHAIRMAN'S REPORT
For The Year Ended 31 December 2024

I am pleased to present the Financial Statement and Accounts for the financial period January to December 2024 on behalf of the Trustees of the Woodsmith Foundation.

The Foundation aims to create a positive lasting legacy from the Woodsmith Mine being built in the North York Moors National Park with the processing facility at Redcar. We support projects that are important to the people who live in our area of benefit and which can make a positive contribution to our local communities. Our priority is to increase opportunities and tackle disadvantage and we support projects that:

- Increase opportunities for better life chances
- Encourage positive changes by improving lives and places, or tackling issues that negatively impact on local people
- Bring people together and enrich lives by ensuring there are local spaces, resources and activities that provide pleasure, learning, or community action.

In 2024 we supported organisations across the Borough of Redcar and Cleveland, the former Borough of Scarborough and the North York Moors National Park with 103 grants totalling £1,202,807, of which 85 were grants under £10,000 and 18 were large strategic grants.

Alongside our grant making activities the Foundation maintained our Community Connector role in Dormanstown, Redcar. There we are working directly with members of the community and local organisations to identify what is important for local people. Together we want to help build on local strengths, find solutions for issues and develop spaces that meet community need. We plan to extend this work in 2025 by appointing a Youth Community Connector for Whitby.

We are grateful to Anglo American for their continuing support and donations while the mine is being built and are committed to working in partnership with them for the benefit of local communities.

The Foundation continued to jointly fund the Achieve Education Programme with Anglo American providing a Continuous Professional Development offer in secondary schools across our area of benefit and an intensive programme of support to improve outcomes for 150 disadvantaged young people. Achieve is designed to support this cohort to realise their potential through personal development, building skills and confidence, and preparing for successful careers.

I would also like to thank the trustees for their contribution to the good governance of the Foundation and the strategic guidance they offer for our grant making and development programmes. We are grateful to the Foundation's employees for their hard work in 2024. As a small team of four they manage to deliver a responsive and efficient grant making function, engage with a wide range of strategic partners, leverage additional funding into the area through joint funded initiatives, and work collaboratively on the ground in our priority communities.

Finally our gratitude must go to the local organisations and broader communities in our area of benefit whose passion and energy makes everything we do possible.

Ian Swales
Chair



WOODSMITH FOUNDATION LIMITED
REPORT OF THE TRUSTEES
For The Year Ended 31 December 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2024. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Foundation's objects are for the public benefit particularly in the area of benefit to:

- 1) advance education including by supporting projects and training that benefit people from the area of benefit by enhancing their skills;
- 2) promote the general health of the community;
- 3) advance environmental protection and improvement including by enhancing the local landscape;
- 4) provide and improve facilities in the interests of social welfare and leisure time occupation with the objective of improving the conditions of life for the residents; and
- 5) relieve those in need because of financial hardship by virtue of being out of work, particularly the long term unemployed, by helping them to gain skills.

The area of benefit covers the Borough of Redcar and Cleveland, the former Borough of Scarborough and the North York Moors National Park.

The Trustees are obliged to:

- exercise a preference for applying the charity's funds close to Anglo American's area of operations in the area of benefit; and
- only apply funds outside the area of benefit once the mine goes into production, and then only provided trustees pass a unanimous resolution, and not apply more than 25% of its annual budget in any one year outside the area of benefit.

At present, the Trustees are fulfilling these objects by making grants to local organisations and undertaking development activities, including capacity building work with organisations, working with partners and stakeholders on potential joint investments, planning and delivery of programmes of work in areas of interest.

The Foundation does not raise funds from the general public.

The Trustees confirm that they have had regard to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives, in planning future activities, and setting the grant making policy for the year.

WOODSMITH FOUNDATION LIMITED
REPORT OF THE TRUSTEES
For The Year Ended 31 December 2024

OBJECTIVES AND ACTIVITIES

Significant activities

In 2024 the Trustees agreed a spend plan for the year and grants awarded include:

- £80,690 to providers to deliver the Achieve Education Programme for secondary schools in our area of benefit and a further budget of £250,000 agreed for the next academic year. Achieve is an ambitious, evidence-led education programme targeting the outcomes gap for disadvantaged young people. Through immersive support and school-wide change, it empowers students to develop essential life skills, improve wellbeing, and access meaningful career pathways.

- £182,115 for Community Grants to 65 organisations. Grants of up to £10,000 went towards a wide range of projects. These included funding for essential equipment for sports clubs and primary schools, playground equipment, refurbishment and energy efficiency measures in community buildings, housing and benefits advice, projects to tackle loneliness, youth club delivery, activities for local people to socialise and have fun, support for homeless people and emergency food provision and much more.

- £468,562 Catalyst Grants awarded to 8 organisations. For example; funding of £150,000 to Thrive at Five in partnership with Redcar and Cleveland Borough Council to work with families of children 0-5 with the aim of increasing school readiness; £60,000 to Orchestras Live to work with school children to give wider access to playing and listening to music plus supporting cultural career pathways; and £30,000 to South Bank Community Land Trust to ensure 5 new affordable rent properties had energy efficient measures in place to make them efficient to run for new tenants.

- £95,886 Employment and Skills Grant awarded jointly with Anglo American to The Junction Foundation to contribute to staff and provide a fund to remove barriers on their programme to support young people into work or training.

- £22,710 Young and Talented Grants supporting 35 young people with a recognised talent who had a financial barrier to progress.

- £300,000 to 7 organisations delivering our Children and Young People's Emotional Wellbeing programme supporting over 600 young people aged 7-15 with community based therapeutic interventions.

The Trustees were supported in the grant assessment by employees of the Foundation and by independent, external consultants. All grant decisions were discussed and agreed by either the Chief Executive and Chair (within the agreed financial delegations), a small sub group of Trustees or by the full Board. All delegated grant decisions made between board meetings were recorded at the next full board meeting.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Trustees are pleased with progress in 2024 and are content the split between small and large grants allows different size and types of organisation to have an opportunity to apply for funding. Our Community Grants, Young and Talented Grants and Dormanstown Seed Fund Grants have enabled a wide range of people and communities to benefit from the Woodsmith Mine development, taking forward projects that are important for them and their locality. At the same time the larger grants have allowed the Foundation to fund significant pilot programmes to test and trial what works in addressing key issues across our area. We had a good level of grant applications and manage demand effectively by offering to have a conversation with potential applicants before they start their formal application. This ensures the majority of applications we receive are eligible and allow us to fund approximately 60% of all smaller grant requests received. We continue to use our best efforts to make it as easy as possible for people to contact us, staying in touch as ideas develop and connecting those people who have common aims or ambitions.

The Trustees are content that grants are being awarded to a diverse range of organisations, many new to the work of the Foundation, across our whole area of benefit and in line with our charitable objectives.

WOODSMITH FOUNDATION LIMITED
REPORT OF THE TRUSTEES
For The Year Ended 31 December 2024

FINANCIAL REVIEW

Financial review

The Foundation held reserves of £1,286,740 at 31 December 2024 (2023: £1,600,904). The majority of funds were unrestricted, except £90,000 held on behalf of Rank Foundation and Lloyds Bank Foundation towards the Redcar and Cleveland Infrastructure Support Service.

The Foundation's work is reliant on income from Anglo American and income and capital returns from its own investment portfolio. To date the Foundation has received £8 million from the Woodsmith Mine project. This payment/donation is 'ex gratia' as it sits outside the formal contractual agreement with Anglo American that will commence from the date the mine goes into production. On this basis there is no commitment currently for a percentage of the monies to be invested in medium term, low-risk funds.

FUTURE PLANS

In December 2024 Anglo American renewed their commitment to supporting the Woodsmith Foundation during the building of the Woodsmith Mine. A donation of £1m was paid to support the work of the Foundation across 2025 and 2026. In addition, we are grateful for the support of the Anglo American Foundation who have awarded funding of £1m across the same period. Anglo American kindly continue to provide pro bono support to the Foundation for finance, marketing and communications. The trustees have reviewed the cash position of the Foundation and made a commitment to spend £1m in the coming year. A spend plan has been agreed that will award funding for projects that meet our charitable objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Woodsmith Foundation Limited was incorporated as a company limited by guarantee on 29 May 2012. It is governed by its Memorandum and Articles of Association and was registered as a charity on 13 August 2015.

Under the Articles of Association, the membership of the charitable company comprises Anglo American and two Independent Members. The Independent Members are Jim Dillon and Ian Swales. The new corporate member for Anglo American, Rachel Dolby, was appointed in November 2024.

As set out in the Articles, the charity is managed by seven Trustees, who are also directors of the company. Four of these Trustees are appointed by the Independent Members and three by Anglo American. On appointment Trustees are provided with information on the Foundation and on their role as charity Trustees and company directors. There were no Trustee resignations or appointments in the period. We are grateful for all our Trustee time, enthusiasm and energy and would like to thank them for their contribution to the work of the Foundation.

The Trustees held four formal Board meetings in the period which were supplemented by email discussions throughout the year.

The reports received at meetings enable the Trustees to monitor major risks to which the Foundation is exposed so that necessary steps can be taken to manage those risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08087609 (England and Wales)

Registered Charity number

1163127

Registered office

Woodsmith Mine/Anglo American
Sneaton
Whitby
YO22 5BF

WOODSMITH FOUNDATION LIMITED
REPORT OF THE TRUSTEES
For The Year Ended 31 December 2024

Trustees

Mrs J Flynn
N Irving
Sir M J Narey
J Samuel
I C Swales
Dr E Walmsley
W B Woods

Chief Executive

L Swain

Auditor

Fortus Audit LLP
Equinox House, Clifton Park
Shipton Road
York
Yorkshire
YO30 5PA

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Woodsmith Foundation Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

AUDITOR

The auditor, Fortus Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 16 September 2025 and signed on its behalf by:



I C Swales - Trustee

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
WOODSMITH FOUNDATION LIMITED**

Opinion

I have audited the financial statements of Woodsmith Foundation Limited (the 'charitable company') 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 (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. My responsibilities under those standards are further described in the Auditor responsibilities for the audit of the financial statements section of my report. I am independent of the charitable company in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the FRC's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I 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 I have performed, I 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.

My 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 Annual Report, other than the financial statements and my Report of the Independent Auditor thereon.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
WOODSMITH FOUNDATION LIMITED**

Matters on which I am 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, I have not identified material misstatements in the Report of the Trustees.

I have nothing to report in respect of the following matters where the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by me; 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
- I have not received all the information and explanations I require for my audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements 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.

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF
WOODSMITH FOUNDATION LIMITED**

My responsibilities for the audit of the financial statements

My 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 a Report of the Independent Auditor that includes my 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.

The extent to which my procedures are capable of detecting irregularities, including fraud is detailed below:

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:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (UK GAAP and the Companies Act 2016) and the relevant tax compliance regulations in the UK.

We understood how the charitable company is complying with those frameworks by making enquires through review of board minutes and discussions with those charged with governance.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the company has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understandings, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

A further description of my 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 my Report of the Independent Auditor.

Use of my 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. My audit work has been undertaken so that I might state to the charitable company's members those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for my audit work, for this report, or for the opinions I have formed.

Frances Howard

Frances Howard FCA (Senior Statutory Auditor)
for and on behalf of Fortus Audit LLP
Equinox House, Clifton Park
Shipton Road
York
Yorkshire
YO30 5PA

16 September 2025

WOODSMITH FOUNDATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 December 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,014,000	90,000	1,104,000	1,000,000
Investment income	3	10,017	-	10,017	9,166
Other income		5	-	5	-
Total		<u>1,024,022</u>	<u>90,000</u>	<u>1,114,022</u>	<u>1,009,166</u>
EXPENDITURE ON					
Charitable activities					
Core Activities	4	179,045	-	179,045	169,921
Grant making		1,249,141	-	1,249,141	870,725
Total		<u>1,428,186</u>	<u>-</u>	<u>1,428,186</u>	<u>1,040,646</u>
NET INCOME/(EXPENDITURE)		(404,164)	90,000	(314,164)	(31,480)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,600,904	-	1,600,904	1,632,384
TOTAL FUNDS CARRIED FORWARD		<u><u>1,196,740</u></u>	<u><u>90,000</u></u>	<u><u>1,286,740</u></u>	<u><u>1,600,904</u></u>

The notes form part of these financial statements

WOODSMITH FOUNDATION LIMITED

BALANCE SHEET
31 December 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Investments	11	111,842	-	111,842	106,391
CURRENT ASSETS					
Debtors	12	13,872	-	13,872	54,584
Cash at bank and in hand		2,780,841	90,000	2,870,841	1,996,548
		<u>2,794,713</u>	<u>90,000</u>	<u>2,884,713</u>	<u>2,051,132</u>
CREDITORS					
Amounts falling due within one year	13	(1,657,632)	-	(1,657,632)	(419,411)
NET CURRENT ASSETS		<u>1,137,081</u>	<u>90,000</u>	<u>1,227,081</u>	<u>1,631,721</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,248,923	90,000	1,338,923	1,738,112
CREDITORS					
Amounts falling due after more than one year	14	(52,183)	-	(52,183)	(137,208)
NET ASSETS		<u>1,196,740</u>	<u>90,000</u>	<u>1,286,740</u>	<u>1,600,904</u>
FUNDS	15				
Unrestricted funds				1,196,740	1,600,904
Restricted funds				90,000	-
TOTAL FUNDS				<u>1,286,740</u>	<u>1,600,904</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 16 September 2025 and were signed on its behalf by:



I C Swales - Trustee

The notes form part of these financial statements

WOODSMITH FOUNDATION LIMITED

CASH FLOW STATEMENT
For The Year Ended 31 December 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	869,727	(252,671)
Net cash provided by/(used in) operating activities		<u>869,727</u>	<u>(252,671)</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(5,451)	(4,466)
Interest received		10,017	9,166
Net cash provided by investing activities		<u>4,566</u>	<u>4,700</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		<u>1,996,548</u>	<u>2,244,519</u>
Cash and cash equivalents at the end of the reporting period		<u><u>2,870,841</u></u>	<u><u>1,996,548</u></u>

The notes form part of these financial statements

WOODSMITH FOUNDATION LIMITED

NOTES TO THE CASH FLOW STATEMENT
For The Year Ended 31 December 2024

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES	2024	2023	
	£	£	
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(314,164)	(31,480)	
Adjustments for:			
Interest received	(10,017)	(9,166)	
Decrease/(increase) in debtors	40,712	(54,260)	
Increase/(decrease) in creditors	1,153,196	(157,765)	
Net cash provided by/(used in) operations	<u>869,727</u>	<u>(252,671)</u>	
2. ANALYSIS OF CHANGES IN NET FUNDS	At 1.1.24	Cash flow	At 31.12.24
	£	£	£
Net cash			
Cash at bank and in hand	1,996,548	874,293	2,870,841
	<u>1,996,548</u>	<u>874,293</u>	<u>2,870,841</u>
Total	<u>1,996,548</u>	<u>874,293</u>	<u>2,870,841</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The charitable company is a company limited by guarantee registered in England and Wales. Its registered office can be found on page 4.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise noted.

Critical accounting judgements and key sources of estimation uncertainty

The Trustees consider that no judgements, apart from those involving estimates, have been made in the process of applying the above accounting policies which have had a significant effect on amounts recognised in the financial statements.

The Trustees consider that no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date have been made which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Investment income receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administrative and governance costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2024

1. **ACCOUNTING POLICIES - continued**

Expenditure

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted mid-market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. When the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reasonably estimated.

Fund accounting

Unrestricted funds 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.

Fund comparatives

The charity has had only one, unrestricted, fund during the current and previous year therefore comparative information is available from the primary financial statements.

Donated services and facilities

No amount is included in the financial statements for volunteer time, including time spent by Trustees in assessing and monitoring grants, in line with the SORP (FRS 102). Marketing and finance support, for which no charge is made, is provided by Anglo American. Further detail is given in the Trustees' Annual Report.

WOODSMITH FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2024

1. ACCOUNTING POLICIES - continued

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. In their view the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. DONATIONS AND LEGACIES

	2024 £	2023 £
Donations	1,014,000	1,000,000
Grants	90,000	-
	<u>1,104,000</u>	<u>1,000,000</u>

Grants received, included in the above, are as follows:

	2024 £	2023 £
Other grants	<u>90,000</u>	<u>-</u>

Other grants includes £30,000 from RANK Foundation and £60,000 from Lloyds Bank Foundation which is restricted income towards the Redcar and Cleveland Infrastructure Support Service.

3. INVESTMENT INCOME

	2024 £	2023 £
Interest from CAF Bank accounts	4,566	4,699
Interest from CCLA deposit fund	5,451	4,467
	<u>10,017</u>	<u>9,166</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Core Activities	160,863	-	18,182	179,045
Grant making	850	1,202,807	45,484	1,249,141
	<u>161,713</u>	<u>1,202,807</u>	<u>63,666</u>	<u>1,428,186</u>

Core activities costs encompass the costs of running the grant and community organisation development programmes.

WOODSMITH FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2024

5. GRANTS PAYABLE

	2024 £	2023 £
Grant making	<u>1,202,807</u>	<u>854,199</u>

Grants paid during the year were all made to institutions except for 36 grants made under the Young & Talented programme. Grants awarded are summarised below.

Amount of grant	Number of recipients	Aggregate amount awarded £	Aggregate instalments paid in year £
Expressions of Interest			
Over £10,000	8	468,562	181,548
Achieve Education Programme			
Over £10,000	2	80,690	64,265
Community Grants			
Under £10,000	65	182,115	147,455
Dormanstown Seed Fund			
Under £10,000	1	3,102	3,102
Funder Plus			
Under £10,000	2	5,920	5,920
Challenge Fund - Employment & Skills			
Over £10,000	1	95,886	35,778
Young & Talented			
Under £10,000	16	22,710	22,710
School Hardship			
Under £10,000	1	1,000	1,000
Children & Young People EW			
Over £10,000	7	300,000	180,000
	103	1,159,985	641,778
2023 grants	1	69,095	-
Grants lapsed	(3)	(16,134)	-
Previous year's grants not taken up		(10,139)	-
Total	101	1,202,807	641,778

Recipients of grants for £10,000 and above awarded in the period.

Expressions of Interest	
Thrive at Five	150,000
Whitby DAG	50,000
North Yorkshire Sport	30,000
The Link Tees Valley Ltd	55,384
Whitby School	26,436
North Yorkshire Youth	66,742
Orchestras Live	60,000
South Bank CLT	30,000
Achieve Education Programme	
Settringham Primary School	16,426
NYBEP	64,264
Challenge Funds - Employment & Skills	
The Junction Foundation	95,886
Children & Young People EW	
Art Therapy	20,000
Community Counselling NY	20,000
MIND (with Time 4 U)	60,000

WOODSMITH FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2024

5. GRANTS PAYABLE - continued

EVA's Womens Aid	60,000
The Junction Foundation	60,000
Kidz Konnekt	60,000
EVA's Womens Aid	20,000

6. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Core Activities	7,834	10,348	18,182
Grant making	45,484	-	45,484
	<u>53,318</u>	<u>10,348</u>	<u>63,666</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Auditors' remuneration	<u>6,919</u>	<u>3,780</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

Trustees' expenses

Expenses of £nil were reimbursed to nil Trustees during the year (2023: £202 to 2 Trustees).

9. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	116,472	106,357
Social security costs	12,062	5,284
Other pension costs	10,813	7,810
	<u>139,347</u>	<u>119,451</u>

The average monthly number of employees during the year was as follows:

	2024	2023
Full time	2	2
Part time	2	2
	<u>4</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

The full time equivalent number of staff at 31 December 2024 was 2.75 (2023: 2.75).

The total remuneration of key management personnel amounted to £68,885 (2023: £66,781).

WOODSMITH FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2024

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,000,000	-	1,000,000
Investment income	9,166	-	9,166
Total	<u>1,009,166</u>	<u>-</u>	<u>1,009,166</u>
EXPENDITURE ON			
Charitable activities			
Core Activities	169,921	-	169,921
Grant making	870,725	-	870,725
Total	<u>1,040,646</u>	<u>-</u>	<u>1,040,646</u>
NET INCOME/(EXPENDITURE)	(31,480)	-	(31,480)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,632,384	-	1,632,384
TOTAL FUNDS CARRIED FORWARD	<u><u>1,600,904</u></u>	<u><u>-</u></u>	<u><u>1,600,904</u></u>

11. FIXED ASSET INVESTMENTS

	Cash and settlements pending £
MARKET VALUE	
At 1 January 2024	106,391
Additions	5,451
At 31 December 2024	<u>111,842</u>
NET BOOK VALUE	
At 31 December 2024	<u><u>111,842</u></u>
At 31 December 2023	<u><u>106,391</u></u>

There were no investment assets outside the UK.

WOODSMITH FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2024

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		2024	2023
		£	£
Other debtors		12,431	53,177
Prepayments and accrued income		1,441	1,407
		<u>13,872</u>	<u>54,584</u>
13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		2024	2023
		£	£
Other creditors		799	799
Grant creditors		651,433	414,833
Accrued expenses		5,400	3,779
Deferred income		1,000,000	-
		<u>1,657,632</u>	<u>419,411</u>
Deferred income relates to income received for use in future periods.			
14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		2024	2023
		£	£
Grant Creditors		<u>52,183</u>	<u>137,208</u>
15. MOVEMENT IN FUNDS			
		Net	At
	At 1.1.24	movement	31.12.24
	£	in funds	£
Unrestricted funds		£	
General fund	1,600,904	(404,164)	1,196,740
Restricted funds			
Rank Foundation	-	30,000	30,000
Lloyds Foundation	-	60,000	60,000
	<u>-</u>	<u>90,000</u>	<u>90,000</u>
TOTAL FUNDS	<u>1,600,904</u>	<u>(314,164)</u>	<u>1,286,740</u>

WOODSMITH FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2024

15. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,024,022	(1,428,186)	(404,164)
Restricted funds			
Rank Foundation	30,000	-	30,000
Lloyds Foundation	60,000	-	60,000
	<u>90,000</u>	<u>-</u>	<u>90,000</u>
TOTAL FUNDS	<u>1,114,022</u>	<u>(1,428,186)</u>	<u>(314,164)</u>

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
General fund	1,632,384	(31,480)	1,600,904
TOTAL FUNDS	<u>1,632,384</u>	<u>(31,480)</u>	<u>1,600,904</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,009,166	(1,040,646)	(31,480)
TOTAL FUNDS	<u>1,009,166</u>	<u>(1,040,646)</u>	<u>(31,480)</u>

Rank Foundation

Funding was received from Rank Foundation to support costs towards the establishment and running of a new high-quality advice and support service for VCSE organisations in Redcar and Cleveland.

Lloyds Foundation

Funding was received from Lloyds Bank Foundation for England and Wales (LBFEW) to strengthen small community led organisations and find new ways of designing and resourcing services so that people facing complex issues get the support they need, when they need it and in ways that work best for them.

WOODSMITH FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2024

16. OTHER FINANCIAL COMMITMENTS

In 2022 the Trustees approved a financial commitment of £700,000 for a joint three year education programme with Anglo American, working across 18 secondary schools in our area of benefit. Awards totalling £543,478 have been made under the programme as at 31 December 2024 and further amounts for 2025 have been built into the Foundation's future funding plan.

17. RELATED PARTY DISCLOSURES

A donation of £2,104,000 was made by Anglo American to the Foundation during the year (2023: £1,000,000) of which £1,000,000 is deferred (2023: £nil)..

WOODSMITH FOUNDATION LIMITED
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 December 2024

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,014,000	1,000,000
Grants	90,000	-
	<u>1,104,000</u>	<u>1,000,000</u>
Investment income		
Interest from CAF Bank accounts	4,566	4,699
Interest from CCLA deposit fund	5,451	4,467
	<u>10,017</u>	<u>9,166</u>
Other income		
Misc income	5	-
	<u>5</u>	<u>-</u>
Total incoming resources	1,114,022	1,009,166
EXPENDITURE		
Charitable activities		
Wages	116,472	106,357
Social security	12,062	5,284
Pensions	10,813	7,810
Advertising	5,666	-
Sundries	36	-
Office expenses	7,812	40,692
Community Organisation Develop	8,002	-
Donations made	850	-
Grants to institutions	1,180,097	854,199
Grants to individuals	22,710	-
	<u>1,364,520</u>	<u>1,014,342</u>
Support costs		
Management		
Grant publicity, assessment &	45,484	16,526
Training and conferences	885	375
Travel and meetings	995	3,728
Bank charges	148	148
Payroll administration	584	708
Website & IT	5,222	-
	<u>53,318</u>	<u>21,485</u>
Governance costs		
Trustees away day costs	2,386	202
Auditors' remuneration	6,919	3,780
Carried forward	9,305	3,982

This page does not form part of the statutory financial statements

WOODSMITH FOUNDATION LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 December 2024

	2024	2023
	£	£
Governance costs		
Brought forward	9,305	3,982
Insurance	1,043	837
	<u>10,348</u>	<u>4,819</u>
Total resources expended	<u>1,428,186</u>	<u>1,040,646</u>
Net expenditure	<u>(314,164)</u>	<u>(31,480)</u>

This page does not form part of the statutory financial statements

WOODSMITH FOUNDATION LIMITED

England & Wales - Charity number 1163127

Accounts



Woodsmith Foundation Limited

Report of the Trustees and
Audited Financial Statements
for the year ended

31 December 2023

Registered Company Number: 08087609 (England and Wales)
Registered Charity Number: 1163127

Ashby Berry Coulsons

Chartered Accountants
Two Belgrave Crescent
Scarborough

Woodsmith Foundation Limited

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for the Year Ended 31 December 2023**

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Woodsmith Foundation Limited

**Reference and Administrative Details
for the Year Ended 31 December 2023**

Trustees	I C Swales Chair J Flynn N Irving M J Narey J Samuel E Walmsley W B Woods
Chief Executive	Leah Swain
Registered office	Resolution House Lake View Scarborough North Yorkshire YO11 3ZB
Registered company number	08087609 (England and Wales)
Registered charity number	1163127
Auditors	Ashby Berry Coulsons Limited Statutory Auditor 2 Belgrave Crescent Scarborough North Yorkshire YO11 1UB
Bankers	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

Woodsmith Foundation Limited

Chairman's Report for the Year Ended 31 December 2023

I am pleased to present the Financial Statement and Accounts for the financial period January to December 2023 on behalf of the Trustees of the Woodsmith Foundation.

The Foundation aims to create a positive lasting legacy from the Woodsmith Mine being built in the North York Moors National Park with the processing facility at Redcar. We support projects that are important to the people who live in our area of benefit and which can make a positive contribution to our local communities. Our priority is to increase opportunities and tackle disadvantage and we support projects that:

- Increase opportunities for better life chances
- Encourage positive changes by improving lives and places, or tackling issues that negatively impact on local people.
- Bring people together and enrich lives by ensuring there are local spaces, resources and activities that provide pleasure, learning, or community action.

In 2023 we supported organisations across the Borough of Redcar and Cleveland, the Borough of Scarborough and the North York Moors National Park with 187 grants totalling £854,199. While maintaining our small grants opportunities which we know appeal to a wide range of community organisations, we also agreed a number of larger grants. This included: significant investments into the 18 secondary schools in our area of benefit through the Achieve Education Programme which we jointly fund with Anglo American; a revenue grant to the Whitby Lobster Hatchery; a capital grant to the Saltburn Skate Park; and funding for employment projects delivered by Clean Slate Solutions and Gallows Close Centre. The Foundation awarded Community Grants of up to £5,000 to impactful organisations drawn from across the area of benefit. We awarded 19 grants of up to £500 to local communities for activities to celebrate the King's Coronation. The Foundation continued to support talented young people in our area who have opportunities to progress but face financial constraints.

This year we invested in key local organisations who have a clear vision for how they might make significant change for local people through our Funder plus approach. This included coaching support for chief executives, strategic board away day costs and facilitation, financial training, and a contribution to activities that would secure the financial sustainability of an organisation. The Foundation supported the second year delivery of our Support for People over 65 programme and the Children and Young People Emotional Wellbeing Programme.

The Foundation had four employees at December 2023, Leah Swain, (Chief Executive), Gemma Sciré, (Grants and Programmes Manager), Rebecca Warner (Grants and Programmes Officer) and Helen Kennedy (Dormanstown Community Connector). I want to thank them for their commitment to making the Foundation an approachable funder that welcomes conversations and does its best to encourage and support many different types of organisations to apply and secure funding.

We are grateful to Anglo American for their continuing support and donations while the mine is being built and are committed to working in partnership with them for the benefit of local communities.

I would like to thank the Trustees for their time, enthusiasm and commitment to the work of the Foundation. Their breadth of experience, thoughtful approach and willingness to back interesting new ideas has created a Foundation that is supporting work on a range of complex local issues and engaging with systems change thinking with our partners. The Trustees work incredibly hard to understand the needs of local communities and make the right funding decisions for our area.

Ian Swales
Chair

Woodsmith Foundation Limited

Report of the Trustees for the Year Ended 31 December 2023

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. The Trustees have adopted the provisions of 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).

This report includes the directors' report required by company law.

Objectives and activities

The Foundation's objects are for the public benefit particularly in the area of benefit to:

- 1) advance education including by supporting projects and training that benefit people from the area of benefit by enhancing their skills;
- 2) promote the general health of the community;
- 3) advance environmental protection and improvement including by enhancing the local landscape;
- 4) provide and improve facilities in the interests of social welfare and leisure time occupation with the objective of improving the conditions of life for the residents; and
- 5) relieve those in need because of financial hardship by virtue of being out of work, particularly the long term unemployed, by helping them to gain skills.

The area of benefit covers the Borough of Redcar and Cleveland, the Borough of Scarborough and the North York Moors National Park.

The Trustees are obliged to:

- exercise a preference for applying the charity's funds close to Anglo American's area of operations in the area of benefit; and
- only apply funds outside the area of benefit once the mine goes into production if the Trustees pass a unanimous resolution in support of such an application of funds, and not to apply more than 25% of its annual budget in any one year outside the area of benefit.

At present, the Trustees are fulfilling these objects by making grants to local organisations and undertaking development activities, including capacity building work with organisations, working with partners and stakeholders on potential joint investments, planning and delivery of programmes of work in areas of interest.

The Foundation does not raise funds from the general public.

The Trustees confirm that they have had regard to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives, in planning future activities, and setting the grant making policy for the year.

Woodsmith Foundation Limited

Report of the Trustees for the Year Ended 31 December 2023

Objectives and activities - continued

In 2023 the Trustees agreed a spend plan for the year (or reacted to unexpected events such as the King's Coronation) and awarded:

- £462,788 committed to providers to deliver the Achieve Education Programme for all secondary schools in our area of benefit. Achieve aims to equip disadvantaged secondary aged students to achieve their potential by supporting their personal development, enabling their aspirations, and improving learning and attainment.
- £199,968 for Community Grants to 68 organisations. Grants of up to £5,000 went towards a wide range of projects.. These included grants for sports equipment, a lending library of things, refurbishment and energy efficiency measures in community buildings, design costs for a new bike pump track, IT and financial skills training, warm spaces, activities for local people to socialise and have fun, support for homeless people, litter picking equipment and much more.
- £103,265 awarded to the Whitby Lobster Hatchery to gap fund as they move towards financial self-sufficiency and £65,000 contribution to the build costs of the Saltburn Skate Park.
- £63,355 awarded for 2 employment and skills projects, one working with prison leavers across the area of benefit and the other for young people in Barrowcliffe, Scarborough with a construction focus.
- £22,516 for Young and Talented grants to support 17 young people with a recognised talent who were unable to progress due to financial constraints. This included a pilot, footballers, performing artists, kick boxers, musicians, a hockey player, golfers, swimmers, a film maker and a jockey.
- £7,932 for Funder Plus grants to support the development of 2 existing grant holders.
- £7,000 for other grants which provided funding to alleviate immediate financial hardship,
- £6,887 to 19 community groups to deliver celebration events for the King's Coronation.
- £4,729 for 4 Dormanstown Seed Fund grants to support community activities in the area.

The Trustees were supported in the grant assessment by employees of the Foundation and by independent, external consultants. All grant decisions were discussed and agreed by either the Chief Executive and Chair (within the agreed financial delegations), a small sub group of Trustees or by the full Board. All grant decisions made between Board meetings were recorded at the next full Board.

Achievement and performance

The Trustees are pleased with progress in 2023.

The spend plan for 2023 allowed for small grant applications through the Community Grant route and larger requests through the Expression of Interest route for people to open a conversation about their ideas for positive change with the Foundation team. We had good levels of interest in both types of grant. The Foundation Trustees built flexibility into the budget to allow for support to promising opportunities for positive action on issues that are important to our local communities, commissioning of development work for future funded work and capacity support for key local organisations. The spend plan also allowed for direct delivery into Dormanstown which is a geographic priority for the mine project due to its proximity to the planned mineral processing plant site in Redcar. We continue to use our best efforts to make it as easy as possible for people to contact us, staying in touch as ideas develop and connecting those people who have common aims or ambitions.

Woodsmith Foundation Limited
Report of the Trustees
for the Year Ended 31 December 2023

Achievement and performance - continued

In 2023 an investment for £13,000 was made into the purchase and development of a new grant management system (GMS) for the Foundation. This has allowed us to move applications online, automate our monitoring reminders, create a clear record for each grant holder and a history of their requests. It has streamlined a number of grant administration processes and is proving to be a valuable tool for the team. The GMS will initially be used for Community Grants and we will then gradually migrate our other grants to the new system by 2025.

In December 2023 Anglo American renewed their commitment to supporting the Woodsmith Foundation during the building of the Woodsmith Mine. Subject to the mine development pace they agreed a further £1m a year for the next 3 years in advance of revenue being generated from the Woodsmith Mine. Anglo American kindly continue to provide pro bono support to the Foundation for finance, marketing and communications.

The Trustees are content that grants are being awarded to a wide range of organisations, many new to the work of the Foundation, across our whole area of benefit and in line with our charitable objectives.

Financial review

Summary

The Foundation held reserves of £1,600,904 at 31 December 2023 (2022: £1,632,384). All funds were unrestricted and an annual spend plan is agreed, against a five year projected income plan.

The Foundation's work is entirely reliant on income from Anglo American and income and capital returns from its investment portfolio. To date the Foundation has received £6 million from the Woodsmith Project's owners. This payment/donation is 'ex gratia' as it sits outside the formal grant agreement. On this basis there is no commitment for a percentage of the monies to be invested in medium term, low-risk funds. Once the mine is in production there is a contract in place between the mine owner and the Foundation that ensures 0.5% of revenue is paid to the Foundation annually.

Main events

Investment funds were held in a cash deposit account with CAF Bank during the period but as interest rates rise the Trustees will be considering investment options for 2024. In addition, the Foundation has £100,000 invested with CCLA, a not-for-profit organisation that invests on behalf of public bodies and charities. Not all of the funds operated by CCLA are currently open to the Woodsmith Foundation.

At the end of the period total cash plus investments amounted to £2,102,939. These balances are held in line with the five year plan outlined above. In the coming year we will seek to move funds to which we do not need immediate access to a higher interest account with a longer notice period.

Future plans

The Trustees have reviewed the cash position of the Foundation and made a commitment to spend £1m in the coming year. A spend plan has been agreed that will award funding for projects that meet our charitable objectives.

Woodsmith Foundation Limited
Report of the Trustees
for the Year Ended 31 December 2023

Structure, governance and management

Woodsmith Foundation Limited was incorporated as a company limited by guarantee on 29 May 2012. It is governed under its Memorandum and Articles of Association and was registered as a charity on 13 August 2015.

Under the Articles of Association, the membership of the charitable company comprises Anglo American and two Independent Members. The independent members are Jim Dillon and Ian Swales. The corporate member, Gareth Edmunds, left Anglo American in December 2023 and a new corporate member will be appointed in 2024.

As set out in the Articles, the charity is managed by seven Trustees, who are also directors of the company. Four of these Trustees are appointed by the Independent Members and three by Anglo American. On appointment Trustees are provided with information on the Foundation and on their role as charity Trustees and company directors. There were no Trustee resignations or appointments in the period. We are grateful for all our Trustees time, enthusiasm and energy and would like to thank them for their contribution to the work of the Foundation.

The Trustees held four formal Board meetings in the period, which were supplemented by email discussions throughout the year. These were held on:

25th January 2023
19th April 2023
26th July 2023
18th October 2023

The reports received at meetings enable the Trustees to monitor major risks to which the Foundation is exposed so that necessary steps can be taken to manage those risks.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of Woodsmith Foundation Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;
and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Woodsmith Foundation Limited

**Report of the Trustees
for the Year Ended 31 December 2023**

Statement of compliance with prevailing laws and regulations

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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) issued in October 2019.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on23/9/2024..... and signed on its behalf by:



.....
I C Swales - Trustee

Report of the Independent Auditors to the Members of Woodsmith Foundation Limited

Opinion

We have audited the financial statements of Woodsmith Foundation Limited (the 'charitable company') for the year ended 31 December 2023 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 (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 2023 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on 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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 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.

Report of the Independent Auditors to the Members of Woodsmith Foundation Limited

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the 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; or
- the Trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements 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.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

Our audit procedures have included:

- Performing audit work over the risk of management override of controls, including reviewing accounting estimates for bias and testing journal entries and other adjustments for appropriateness;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures to assess compliance with applicable laws and regulations
- Enquiry of management and those charged with governance concerning potential litigation and claims.

**Report of the Independent Auditors to the Members of
Woodsmith Foundation Limited**

We consider that these procedures, together with evidence acquired from our other audit work, provide an audit approach enabling a reasonable likelihood of detection of irregularities.

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

A further description of our responsibilities 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 Report of the Independent Auditors.

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 auditors' 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.

Ashby Berry Coulsons Ltd

Anne Mead BSc FCA (Senior Statutory Auditor)
for and on behalf of Ashby Berry Coulsons Limited
Statutory Auditor
2 Belgrave Crescent
Scarborough
North Yorkshire
YO11 1UB

Date: 24 September 2024

Woodsmith Foundation Limited

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2023**

		Year Ended 31.12.23 Unrestricted fund £	Period 1.6.22 to 31.12.22 Total funds £
Income and endowments from	Notes		
Donations and legacies	2	1,000,000	-
Investment income	3	<u>9,166</u>	<u>3,251</u>
Total		<u>1,009,166</u>	<u>3,251</u>
 Expenditure on			
Charitable activities	4		
General activities		169,921	58,635
Grant making		<u>870,725</u>	<u>823,663</u>
Total		<u>1,040,646</u>	<u>882,298</u>
 NET INCOME/(EXPENDITURE)		 (31,480)	 (879,047)
 Reconciliation of funds			
Total funds brought forward		<u>1,632,384</u>	<u>2,511,431</u>
 Total funds carried forward		 <u>1,600,904</u>	 <u>1,632,384</u>

The notes form part of these financial statements

Woodsmith Foundation Limited (Registered number: 08087609)

Balance Sheet
31 December 2023

	Notes	2023 Unrestricted fund £	2022 Total funds £
Fixed assets			
Investments	10	106,391	101,925
Current assets			
Debtors	11	54,584	324
Cash at bank and in hand		<u>1,996,548</u>	<u>2,244,519</u>
		2,051,132	2,244,843
Creditors			
Amounts falling due within one year	12	(419,411)	(620,070)
		<u>1,631,721</u>	<u>1,624,773</u>
Net current assets			
		1,738,112	1,726,698
Creditors			
Amounts falling due after more than one year	13	(137,208)	(49,314)
Provisions for liabilities	14	-	(45,000)
		<u>1,600,904</u>	<u>1,632,384</u>
NET ASSETS			
		1,600,904	1,632,384
Funds			
Unrestricted funds		<u>1,600,904</u>	<u>1,632,384</u>
Total funds		<u>1,600,904</u>	<u>1,632,384</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on23/9/2024..... and were signed on its behalf by:



.....
I C Swales - Trustee

The notes form part of these financial statements

Woodsmith Foundation Limited
Cash Flow Statement
for the Year Ended 31 December 2023

	Notes	Year Ended 31.12.23 £	Period 1.6.22 to 31.12.22 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(252,671)</u>	<u>(633,389)</u>
Net cash used in operating activities		<u>(252,671)</u>	<u>(633,389)</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(4,466)	(870)
Interest received		<u>9,166</u>	<u>3,251</u>
Net cash provided by investing activities		<u>4,700</u>	<u>2,381</u>
Change in cash and cash equivalents in the reporting period		(247,971)	(631,008)
Cash and cash equivalents at the beginning of the reporting period		<u>2,244,519</u>	<u>2,875,527</u>
Cash and cash equivalents at the end of the reporting period		<u>1,996,548</u>	<u>2,244,519</u>

The notes form part of these financial statements

Woodsmith Foundation Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 December 2023**

1. Reconciliation of net expenditure to net cash flow from operating activities

	Year Ended 31.12.23 £	Period 1.6.22 to 31.12.22 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(31,480)	(879,047)
Adjustments for:		
Interest received	(9,166)	(3,251)
(Increase)/decrease in debtors	(54,260)	9,741
(Decrease)/increase in creditors	<u>(157,765)</u>	<u>239,168</u>
Net cash used in operations	<u>(252,671)</u>	<u>(633,389)</u>

2. Analysis of changes in net funds

	At 1.1.23 £	Cash flow £	At 31.12.23 £
Net cash			
Cash at bank and in hand	<u>2,244,519</u>	<u>(247,971)</u>	<u>1,996,548</u>
	<u>2,244,519</u>	<u>(247,971)</u>	<u>1,996,548</u>
Total	<u>2,244,519</u>	<u>(247,971)</u>	<u>1,996,548</u>

The notes form part of these financial statements

Woodsmith Foundation Limited

Notes to the Financial Statements for the Year Ended 31 December 2023

1. Accounting policies

General information

Woodsmith Foundation Limited is a charitable company limited by guarantee and registered in England / Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to make grants towards projects and individuals/organisations which meet the criteria set out in the charity's objects.

Basis of preparing the financial statements

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The accounts for the comparative period were prepared for a shortened period of 7 months from 1 June to 31 December 2022 to align the charity's accounting period to that of Anglo American in anticipation of revenue related donations once the Woodsmith mine goes into production.

Judgements and key sources of estimation uncertainty

The Trustees consider that no judgements, apart from those involving estimates, have been made in the process of applying the above accounting policies which have had a significant effect on amounts recognised in the financial statements.

The Trustees consider that no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date have been made which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Funds

Unrestricted funds 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.

Fund comparatives

The charity has had only one, unrestricted, fund during the current and previous year therefore comparative information is available from the primary financial statements.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Woodsmith Foundation Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2023

1. Accounting policies - continued

Donated services and facilities

No amount is included in the financial statements for volunteer time, including time spent by Trustees in assessing and monitoring grants, in line with the SORP (FRS 102). Administrative support, for which no charge is made, is provided by Anglo American. Further detail is given in the Trustees' Annual Report.

Investment income receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administrative and governance costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted mid-market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Woodsmith Foundation Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2023

1. Accounting policies - continued

Investments

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated

Taxation

The charity is exempt from corporation tax on its charitable activities.

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. In their view the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Donations and legacies

	Year Ended 31.12.23 £	Period 1.6.22 to 31.12.22 £
Donations from Anglo American	<u>1,000,000</u>	<u>-</u>

Woodsmith Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2023**

3. Investment income

	Year Ended 31.12.23	Period 1.6.22 to 31.12.22
	£	£
Interest from CAF Bank accounts	4,699	2,381
Interest from CCLA deposit fund	<u>4,467</u>	<u>870</u>
	<u>9,166</u>	<u>3,251</u>

4. Charitable activities costs

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Core activities	160,143	-	9,778	169,921
Grant making	<u>-</u>	<u>854,199</u>	<u>16,526</u>	<u>870,725</u>
	<u>160,143</u>	<u>854,199</u>	<u>26,304</u>	<u>1,040,646</u>

Core activities costs encompass the costs of running the grant and community organisation development programmes.

Comparatives for charitable activities costs

Period 1 June to 31 December 2022

Core activities	52,537	-	6,098	58,635
Grant making	<u>-</u>	<u>799,426</u>	<u>24,237</u>	<u>823,663</u>
	<u>52,537</u>	<u>799,426</u>	<u>30,335</u>	<u>882,298</u>

5. Grants payable

	Year Ended 31.12.23	Period 1.6.22 to 31.12.22
	£	£
Grant making	<u>854,199</u>	<u>799,426</u>

Woodsmith Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2023**

5. Grants payable - continued

Grants paid during the year were all made to institutions except for 17 grants made under the Young & Talented programme. Grants awarded are summarised below.

Amount of grant	Number of recipients	Aggregate amount awarded £	Aggregate instalments paid in year £
Expressions of Interest			
Over £100,000	1	103,265	30,165
Community Assets			
Over £50,000	1	65,000	65,000
Achieve Education Programme			
Over £250,000	1	297,136	108,049
£150,000 to £250,000	1	134,639	49,070
£10,000 to £30,000	1	22,000	5,000
Under £10,000	1	9,013	9,013
Community Grants			
£5,000 and under	68	199,968	110,374
Dormanstown Seed Fund			
Under £2,000	4	4,729	£4,729
King's Coronation			
Under £500	19	6,887	6,887
Funder Plus			
Under £5,000	2	7,932	4,862
Challenge Fund – Employment & Skills			
£30,000 to £35,000	2	65,355	40,000
Young & Talented			
Under £2,000	17	22,516	22,516
School Hardship			
£1,000 each	1	1,000	1,000
Cost of Living			
Under £5000	2	6,000	6,000
Previous years' grants not taken up	_____	(91,241)	_____
Total	187	854,199	462,665

Recipients of grants for £10,000 and above awarded in the period

Expressions of Interest	
Whitby Lobster Hatchery	103,265
Community Assets	
Saltburn Skatepark & Sports CIC	65,000
Achieve Education Programme	
North Yorkshire Youth Limited	297,136
Redcar & Cleveland Council	134,639
North Yorkshire Coast Research School	22,000
Challenge Fund	
Clean Slate Solutions	34,000
Gallows Close Centre	31,355

Further information about the grant programmes and grantees can be found on the charity's website at <https://woodsmithfoundation.org.uk/>.

Woodsmith Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2023**

6. Support costs

	Management	Governance costs	Totals
	£	£	£
Core activities	4,959	4,819	9,778
Grant making	<u>16,526</u>	<u>-</u>	<u>16,526</u>
	<u>21,485</u>	<u>4,819</u>	<u>26,304</u>

Comparatives for support costs

Period 1 June to 31 December 2022

Core activities	481	5,617	6,098
Grant making	<u>24,237</u>	<u>-</u>	<u>24,237</u>
	<u>24,718</u>	<u>5,617</u>	<u>30,335</u>

Auditor's remuneration

		Year Ended 31.12.23	Period 1.6.22 to 31.12.22
		£	£
Audit and accounts preparation - current period		3,780	3,600
Audit and accounts preparation - previous period		-	1,080
Payroll administration		<u>708</u>	<u>371</u>
		<u>4,488</u>	<u>5,051</u>

Support costs, included in the above, are as follows:

Management

	Core activities	Grant making	Year Ended 31.12.23 Total activities	Period 1.6.22 to 31.12.22 Total activities
	£	£	£	£
Grant publicity, assessment & monitoring	-	16,526	16,526	24,237
Training and conferences	375	-	375	-
Travel and meetings	3,728	-	3,728	-
Bank charges	148	-	148	110
Payroll administration	<u>708</u>	<u>-</u>	<u>708</u>	<u>371</u>
	<u>4,959</u>	<u>16,526</u>	<u>21,485</u>	<u>24,718</u>

Woodsmith Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2023**

**6. Support costs - continued
Governance costs**

	Year Ended 31.12.23	Period 1.6.22 to 31.12.22
	Core activities	Total activities
	£	£
Auditors' remuneration	3,780	4,680
Insurance	837	453
Trustees' travel and subsistence	<u>202</u>	<u>484</u>
	<u>4,819</u>	<u>5,617</u>

7. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	Year Ended 31.12.23	Period 1.6.22 to 31.12.22
	£	£
Audit	<u>3,780</u>	<u>4,680</u>

8. Trustees' remuneration and benefits

No Trustee received any remuneration, or other benefits during the year. (2022 - Nil)

Trustees' expenses

Expenses of £202 were reimbursed to 2 Trustees during the year (2022: £484 to 3 Trustees).

9. Staff costs

	Year Ended 31.12.23	Period 1.6.22 to 31.12.22
	£	£
Wages and salaries	106,357	44,100
Social security costs	5,284	1,380
Other pension costs	<u>7,810</u>	<u>3,166</u>
	<u>119,451</u>	<u>48,646</u>

The total remuneration of key management personnel amounted to £66,781 (2022: £33,419).

Woodsmith Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2023**

9. Staff costs - continued

The average monthly number of employees during the year was as follows:

	Year Ended 31.12.23	Period 1.6.22 to 31.12.22
Full time	2	1
Part time	<u>2</u>	<u>1</u>
	<u><u>4</u></u>	<u><u>2</u></u>

The full time equivalent number of staff at 31 December 2023 was 2.75 (2022: 1.69).

No employees received emoluments in excess of £60,000.

10. Fixed asset investments

	Cash and settlements pending £
Market value	
At 1 January 2023	101,925
Additions	<u>4,466</u>
At 31 December 2023	<u><u>106,391</u></u>

11. Debtors: amounts falling due within one year

	2023 £	2022 £
Other debtors	53,177	-
Prepayments and accrued income	<u>1,407</u>	<u>324</u>
	<u><u>54,584</u></u>	<u><u>324</u></u>

12. Creditors: amounts falling due within one year

	2023 £	2022 £
Other creditors	799	1,857
Grant creditors	414,833	610,890
Accrued expenses	<u>3,779</u>	<u>7,323</u>
	<u><u>419,411</u></u>	<u><u>620,070</u></u>

Woodsmith Foundation Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

13. Creditors: amounts falling due after more than one year		
	2023	2022
	£	£
Grant creditors due within more than 1 year	<u>137,208</u>	<u>49,314</u>
14. Provisions for liabilities		
	2023	2022
	£	£
Provision for outstanding grants	<u>-</u>	<u>45,000</u>
	2023	2022
	£	£
Balance brought forward	45,000	50,000
Grant offers for which timing is uncertain	<u>(45,000)</u>	<u>(5,000)</u>
	<u>-</u>	<u>45,000</u>

15. Other financial commitments

In 2022, the Trustees approved a financial commitment of £700,000 for a joint three year education programme with Anglo American, working across all 18 secondary schools in our area of benefit. Awards totalling £462,788 have been made under this programme as at 31 December 2023 and further amounts for 2024 and 2025 have been built into the Foundation's future funding plan.

16. Related party disclosures

A donation of £1,000,000 was made by Anglo American to the Foundation during the year.

*omitted
from chart to Co House
copies*

Woodsmith Foundation Limited

**Detailed Statement of Financial Activities
for the Year Ended 31 December 2023**

	Year Ended 31.12.23 £	Period 1.6.22 to 31.12.22 £
Income and endowments		
Donations and legacies		
Donations from Anglo American	1,000,000	-
Investment income		
Interest from CAF Bank accounts	4,699	2,381
Interest from CCLA deposit fund	<u>4,467</u>	<u>870</u>
	<u>9,166</u>	<u>3,251</u>
Total incoming resources	1,009,166	3,251
Expenditure		
Charitable activities		
Wages	106,357	44,100
Social security	5,284	1,380
Pensions	7,810	3,166
Office expenses	23,135	3,891
Advertising	2,392	-
Community organisation development	15,112	-
Sundry	53	-
Grants to institutions	831,683	772,253
Grants to individuals	<u>22,516</u>	<u>27,173</u>
	1,014,342	851,963
Support costs		
Management		
Grant publicity, assessment & monitoring	16,526	24,237
Training and conferences	375	-
Travel and meetings	3,728	-
Bank charges	148	110
Payroll administration	<u>708</u>	<u>371</u>
	21,485	24,718
Governance costs		
Auditors' remuneration	3,780	4,680
Carried forward	3,780	4,680

This page does not form part of the statutory financial statements

Woodsmith Foundation Limited

**Detailed Statement of Financial Activities
for the Year Ended 31 December 2023**

	Year Ended 31.12.23 £	Period 1.6.22 to 31.12.22 £
Governance costs		
Brought forward	3,780	4,680
Insurance	837	453
Trustees' travel and subsistence	202	484
	<u>4,819</u>	<u>5,617</u>
Total resources expended	<u>1,040,646</u>	<u>882,298</u>
Net expenditure	<u>(31,480)</u>	<u>(879,047)</u>

This page does not form part of the statutory financial statements

WOODSMITH FOUNDATION LIMITED

England & Wales - Charity number 1163127

Accounts



Woodsmith Foundation Limited

Report of the Trustees and
Audited Financial Statements
for the year ended

31 May 2022

Registered Company Number: 08087609 (England and Wales)
Registered Charity Number: 1163127

Ashby Berry Coulsons

Chartered Accountants
Two Belgrave Crescent
Scarborough

Woodsmith Foundation Limited**Contents of the Financial Statements
for the Year Ended 31 May 2022**

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Woodsmith Foundation Limited

*Formerly
Sirius Minerals Foundation Limited*

**Reference and Administrative Details
for the Year Ended 31 May 2022**

Trustees	I C Swales Chair J Flynn N Irving M J Narey J Samuel E Walmsley W B Woods
Chief Executive	Leah Swain
Registered office	Resolution House Lake View Scarborough North Yorkshire YO11 3ZB
Registered company number	08087609 (England and Wales)
Registered charity number	1163127
Auditors	Ashby Berry Coulsons Limited Statutory Auditor 2 Belgrave Crescent Scarborough North Yorkshire YO11 1UB
Bankers	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

Woodsmith Foundation Limited**Chairman's Report
for the Year Ended 31 May 2022**

I am pleased to present the Financial Statement and Accounts for the year ending 31st May 2022 on behalf of the Trustees of the Woodsmith Foundation. The Foundation aims to create a positive lasting legacy from the Woodsmith Mine being built in the North York Moors National Park with the processing facility at Redcar. We support projects that are important to the people who live in our area of benefit and which can make a positive contribution to our local communities.

During 2021/22 a range of grants were awarded ranging from £1,500 to £75,000. We supported organisations across the Borough of Redcar and Cleveland, the Borough of Scarborough and the North York Moors National Park. Grants were awarded for: covid recovery activities; projects that supported children and young people to have time together after being isolated during the pandemic; action to tackle climate change; small capital items; essential staff or volunteer training for voluntary sector organisations; and two year projects to support the emotional wellbeing of young people. We awarded our first Young and Talented grant to an individual which supported a young golfer. The Young and Talented grants aim to help talented young people who have financial barrier to being able to progress and reach their full potential. We intend to award more Young and Talented grants over the coming year.

In April 2022 we were pleased to welcome our second employee, Gemma Sciré, as our Grants and Programmes Manager. Gemma brings valuable experience of having been a voluntary sector Chief Executive, worked in a local authority and the NHS and has knowledge across sectors; mental health, older people, children and young people, criminal justice, womens' services and systems approaches. Our Chief Executive, Leah Swain, will continue to build the team over the next few years as we prepare to receive larger annual donations from Anglo American when the Woodsmith Mine goes into production. We are grateful to Anglo American for their continuing support and donations while the mine is being built and are committed to working in partnership with them for the benefit of local communities.

I would like to thank the Trustees for their time and willingness to share their skills and knowledge to set the strategic direction for the Foundation and make the right funding decisions. They share a collective desire to increase opportunities and tackle disadvantage across our area of benefit and are passionate in their belief that local people and organisations often know how to best make lasting positive changes. We know that ideas that come from within a community can be a powerful catalyst for change and together we will ensure the Foundation is seeking out and supporting people to make those ideas a reality.

Ian Swales
Chair

Woodsmith Foundation Limited

Report of the Trustees for the Year Ended 31 May 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 May 2022. The trustees have adopted the provisions of 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).

This report includes the directors' report required by company law.

Objectives and activities

The Foundation's objects are for the public benefit particularly in the area of benefit to:

- 1) advance education including by supporting projects and training that benefit people from the area of benefit by enhancing their skills;
- 2) promote the general health of the community;
- 3) advance environmental protection and improvement including by enhancing the local landscape;
- 4) provide and improve facilities in the interests of social welfare and leisure time occupation with the objective of improving the conditions of life for the residents; and
- 5) relieve those in need because of financial hardship by virtue of being out of work, particularly the long term unemployed, by helping them to gain skills.

The area of benefit is the area south of the river Tees and within the boundaries of Redcar and Cleveland Borough Council, Scarborough Borough Council and the North York Moors National Park.

The trustees are obliged to:

- exercise a preference for applying the charity's funds close to Anglo American's area of operations in the area of benefit; and
- only apply funds outside the area of benefit if the trustees pass a unanimous resolution in support of such an application of funds, and not to apply more than 25% of its annual budget in any one year outside the area of benefit.

At present, the trustees are fulfilling these objects by making grants to local organisations.

The Foundation does not raise funds from the general public.

The trustees confirm that they have had regard to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives, in planning future activities, and setting the grant making policy for the year.

In 2021/22 the Trustees agreed a spend plan for the year and awarded:

- £137,289 for Covid Second Round grants to 34 organisations to support local people to re-engage in the community following the pandemic.
- £78,691 for Time Together grants to 26 organisations to work with their existing groups of young people and help them organise fun events to spend time together with their friends and peers following the difficult months of isolation during the pandemic.

Woodsmith Foundation Limited

Report of the Trustees for the Year Ended 31 May 2022

- £56,300 for Climate Change grants to 12 organisations to undertake action on climate change in their own communities and beyond, including grassroots projects that galvanise community action and increase the number of people taking action on climate change.
- £181,740 for Small Capital and Training grants to 43 organisations. The grants were for either venues and facilities to make repairs or purchases, refurbishments or extensions or for organisations to purchase equipment or fund coaching qualifications, essential staff training.
- £478,143 for Children and Young Peoples' Emotional Wellbeing to 6 organisations to fund mental health professionals in the voluntary sector to deliver a targeted and long term programme of support to individuals, with a focus on one to one interventions.
- £1,500 for a Young and Talented grant to support a young person with a demonstrable talent who was unable to progress due to financial constraints.
- £128,843 for other grants which included larger capital grants for key community assets, responding to an emergency flood in a local primary school, hardship grants for schools to support their pupils, and grants for local infrastructure organisations in Redcar and Cleveland to deliver funding workshops.

The Trustees were supported in the grant assessment by the officers of the Foundation and by independent, external consultants. All grant decisions were discussed and agreed by either the CEO and Chair (within the agreed financial delegations), a small sub group of Trustees or by the full Board. All grant decisions made between Board meetings were recorded at the next full Board.

Achievement and performance

The Trustees are pleased with progress in 21/22, with the new Chief Executive delivering a significant level of grants against the spend plan and building the internal processes for the Foundation. We continue to make our best efforts to be a flexible and responsive funder and have trialled a range of different approaches to grant making over the year. We remain mindful that we want to award a significant number of grants while retaining enough funding to support the voluntary sector response to crisis situations as they arise, including the forecast cost of living rises expected this winter. The third instalment of the £4m agreed by Anglo American in advance of revenue being generated from the Woodsmith Mine was gratefully received in May 2022 and Anglo American kindly continue to provide pro bono support to the Foundation for administration, finance, marketing and communications.

The Trustees are content that grants are being awarded to a wide range of organisations, many new to the work of the Foundation, across our whole area of benefit and in line with our charitable objectives.

Financial review

Summary

The Foundation held reserves of £2,511,431 at 31 May 2022. All funds were unrestricted and a ten year spend plan and five year projected income plan are revisited annually.

The Foundation's work is entirely reliant on income from Anglo American and income and capital returns from its investment portfolio. A further major payment to the Foundation of £1 million was received during the year, bringing the total contributions from the Woodsmith Mine project to £5 million, with a further payment of £1 million committed by Anglo American. This payment/donation is 'ex gratia' as it sits outside the formal grant agreement. On this basis there is no commitment for a percentage of the monies to be invested in medium term, low-risk funds.

Woodsmith Foundation Limited

Report of the Trustees for the Year Ended 31 May 2022

Financial review - continued

Main events

Due to the uncertainty around the pandemic, Brexit, and the cost of living crisis investment funds were held in a cash deposit account with CAF Bank during the period. In addition, the Foundation has £100,000 invested with CCLA, a not-for-profit organisation that invests on behalf of public bodies and charities. Not all of the funds operated by CCLA are currently open to the Woodsmith Foundation.

At the end of the period total cash plus investments amounted to £2,976,582. These balances are held in line with the five year plan outlined above. In the coming year we will seek to move funds to which we do not need immediate access to a higher interest account with a longer notice period.

Future activities

The trustees have amended the financial year for the Foundation to run January to December. This is to align with the Anglo American financial year in anticipation of revenue related donations once the mine goes into production. The next financial year will be 7 months from 1st June 2022 to the 31st December 2022.

The trustees have reviewed the cash position of the Foundation and made a commitment to spend £1m in the coming year. A spend plan has been agreed that will award funding for projects that meet our charitable objectives.

Structure, governance and management

Sirius Minerals Foundation Limited was incorporated as a company limited by guarantee on 29 May 2012. It is governed under its Memorandum and Articles of Association and was registered as a charity on 13 August 2015. It changed name from Sirius Minerals Foundation to Woodsmith Foundation in May 2021.

Under the Articles of Association, the membership of the charitable company comprises Anglo American and two Independent Members. The independent members are Jim Dillon and Ian Swales.

As set out in the Articles, the charity is managed by seven trustees, who are also directors of the company. Four of these trustees are appointed by the Independent Members and three by Anglo American. On appointment trustees are provided with information on the Foundation and on their role as charity trustees and company directors. There were no trustee resignations or appointments in the last year. We are grateful for all our trustees time, enthusiasm and energy and would like to thank them for their contribution to the work of the Foundation.

The Trustees held four formal Board meetings that were supplemented by email discussions throughout the year. These were held on:

19 July 2021
20 October 2021
24 January 2022
27 April 2022

Woodsmith Foundation Limited

Report of the Trustees for the Year Ended 31 May 2022

Structure, governance and management - continued

The reports received at meetings enable the trustees to monitor major risks to which the Foundation is exposed so that necessary steps can be taken to manage those risks.

Statement of trustees' responsibilities

The trustees (who are also the directors of Woodsmith Foundation Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Statement of compliance with prevailing laws and regulations

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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 published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 20 February 2023 and signed on its behalf by:

.....
I C Swales - Trustee

Report of the Independent Auditors to the Members of Woodsmith Foundation Limited

Opinion

We have audited the financial statements of Woodsmith Foundation Limited (the 'charitable company') for the year ended 31 May 2022 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 (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 May 2022 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on 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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 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.

Report of the Independent Auditors to the Members of Woodsmith Foundation Limited

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements 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.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our audit procedures include:

- Performing audit work over the risk of grants being awarded to non bona fide recipients or outside the objects of the charity;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures to assess compliance with applicable laws and regulations;
- Enquiry of management and those charged with governance concerning potential litigation and claims.

We consider that these procedures, together with evidence acquired from our other audit work, provide an audit approach enabling a reasonable likelihood of detection of irregularities.

Report of the Independent Auditors to the Members of Woodsmith Foundation Limited

Our responsibilities for the audit of the financial statements - 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

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 Report of the Independent Auditors.

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 auditors' 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.

Anne Mead BSc FCA (Senior Statutory Auditor)
for and on behalf of Ashby Berry Coulsons Limited
Statutory Auditor
2 Belgrave Crescent
Scarborough
North Yorkshire
YO11 1UB

Date: 22 February 2023

Woodsmith Foundation Limited

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 May 2022**

	Notes	2022 Unrestricted fund £	2021 Total funds £
Income and endowments from			
Donations and legacies	2	1,000,000	1,000,000
Investment income	3	<u>123</u>	<u>58</u>
Total		<u>1,000,123</u>	<u>1,000,058</u>
Expenditure on			
Charitable activities	4		
General activities		65,583	12,074
Grant making		<u>1,083,985</u>	<u>407,824</u>
Total		<u>1,149,568</u>	<u>419,898</u>
NET INCOME/(EXPENDITURE)		(149,445)	580,160
Reconciliation of funds			
Total funds brought forward		<u>2,660,876</u>	<u>2,080,716</u>
Total funds carried forward		<u><u>2,511,431</u></u>	<u><u>2,660,876</u></u>

The notes form part of these financial statements

Woodsmith Foundation Limited (Registered number: 08087609)

**Balance Sheet
31 May 2022**

	Notes	2022 Unrestricted fund £	2021 Total funds £
Fixed assets			
Investments	10	101,055	100,932
Current assets			
Debtors	11	10,065	771
Cash at bank		<u>2,875,527</u>	<u>2,654,003</u>
		2,885,592	2,654,774
Creditors			
Amounts falling due within one year	12	(430,216)	(44,830)
		<hr/>	<hr/>
Net current assets		<u>2,455,376</u>	<u>2,609,944</u>
Total assets less current liabilities		2,556,431	2,710,876
Provisions for liabilities	13	(45,000)	(50,000)
		<hr/>	<hr/>
NET ASSETS		<u>2,511,431</u>	<u>2,660,876</u>
Funds			
Unrestricted funds		<u>2,511,431</u>	<u>2,660,876</u>
Total funds		<u>2,511,431</u>	<u>2,660,876</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 20 February 2023 and were signed on its behalf by:

.....
IC Swales - Trustee

The notes form part of these financial statements

Woodsmith Foundation Limited

**Cash Flow Statement
for the Year Ended 31 May 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>221,524</u>	<u>511,917</u>
Net cash provided by operating activities		<u>221,524</u>	<u>511,917</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(123)	(58)
Interest received		<u>123</u>	<u>58</u>
Net cash provided by investing activities		<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period			
		221,524	511,917
Cash and cash equivalents at the beginning of the reporting period		<u>2,654,003</u>	<u>2,142,086</u>
Cash and cash equivalents at the end of the reporting period		<u><u>2,875,527</u></u>	<u><u>2,654,003</u></u>

The notes form part of these financial statements

Woodsmith Foundation Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 May 2022**

1. Reconciliation of net (expenditure)/income to net cash flow from operating activities	2022	2021
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(149,445)	580,160
Adjustments for:		
Interest received	(123)	(58)
(Increase)/decrease in debtors	(9,294)	6,010
Increase/(decrease) in creditors	<u>380,386</u>	<u>(74,195)</u>
Net cash provided by operations	<u>221,524</u>	<u>511,917</u>

2. Analysis of changes in net funds	At 1.6.21	Cash flow	At 31.5.22
	£	£	£
Net cash			
Cash at bank	<u>2,654,003</u>	<u>221,524</u>	<u>2,875,527</u>
	<u>2,654,003</u>	<u>221,524</u>	<u>2,875,527</u>
Total	<u>2,654,003</u>	<u>221,524</u>	<u>2,875,527</u>

The notes form part of these financial statements

Woodsmith Foundation Limited

Notes to the Financial Statements for the Year Ended 31 May 2022

1. Accounting policies

General information

Woodsmith Foundation Limited is a charitable company limited by guarantee and registered in England / Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to make grants towards projects and individuals/organisations which meet the criteria set out in the charity's objects.

Basis of preparing the financial statements

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Judgements and key sources of estimation uncertainty

The trustees consider that no judgements, apart from those involving estimates, have been made in the process of applying the above accounting policies which have had a significant effect on amounts recognised in the financial statements.

The trustees consider that no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date have been made which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Funds

Unrestricted funds 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.

Fund comparatives

The charity has had only one, unrestricted, fund during the current and previous year therefore comparative information is available from the primary financial statements.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Woodsmith Foundation Limited

Notes to the Financial Statements - continued for the Year Ended 31 May 2022

1. Accounting policies - continued

Donated services and facilities

No amount is included in the financial statements for volunteer time, including time spent by trustees in assessing and monitoring grants, in line with the SORP (FRS 102). Administrative support, for which no charge is made, is provided by Anglo American. Further detail is given in the Trustees' Annual Report.

Investment income receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administrative and governance costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted mid-market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Woodsmith Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2022**

1. Accounting policies - continued

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. In their view the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Donations and legacies

	2022	2021
	£	£
Donations from Anglo American	<u>1,000,000</u>	<u>1,000,000</u>
	<u>1,000,000</u>	<u>1,000,000</u>

3. Investment income

	2022	2021
	£	£
Interest on investments	<u>123</u>	<u>58</u>

Woodsmith Foundation Limited

Notes to the Financial Statements - continued
for the Year Ended 31 May 2022

4. Charitable activities costs

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
General activities	61,655	-	3,928	65,583
Grant making	-	1,055,096	28,889	1,083,985
	<u>61,655</u>	<u>1,055,096</u>	<u>32,817</u>	<u>1,149,568</u>

Comparatives for charitable activities costs

General activities	9,483	-	2,591	12,074
Grant making	-	96,741	11,083	407,824
	<u>9,483</u>	<u>96,741</u>	<u>13,674</u>	<u>19,898</u>

5. Grants payable

	2022 £	2021 £
Grant making	<u>1,055,096</u>	<u>396,741</u>

Grants paid during the year were all made to institutions except for the initial grant made under the Young & Talented programme. Grants awarded are summarised below.

Amount of grant	Number of recipients	Aggregate amount awarded £	Aggregate instalments paid in year £
Second Covid Round			
£10,000 to £15,000	1	15,000	15,000
£1,000 to £5,000	33	122,289	122,289
Time Together			
£1,000 to £5,000	26	78,691	25,000
Climate Change			
£1,000 to £5,000	12	56,300	51,300
Small Capital and Training			
£1,000 to £5,000	43	181,740	159,668
Children & Young People Emotional Health and Wellbeing			
£100,000 to £150,000	1	134,634	38,000
£50,000 to £100,000	4	299,459	75,000
Under £50,000	1	44,050	23,000

Woodsmith Foundation Limited

Notes to the Financial Statements - continued
for the Year Ended 31 May 2022

5. Grants payable - continued

Amount of grant	Number of recipients	Aggregate amount awarded £	Aggregate instalments paid in year £
Young & Talented			
Under £2,000	1	1,500	-
Ad hoc			
£10,001 to £50,000	3	109,415	59,825
Under £10,000	6	19,428	19,426
Previous years' grants not taken up		(7,410)	
Total	131	1,055,096	385,027

Further information about the grant programmes and grantees can be found on the charity's website at <https://woodsmithfoundation.org.uk/>.

6. Support costs

	Management £	Governance costs £	Totals £
General activities	637	3,291	3,928
Grant making	28,889	-	28,889
	29,526	3,291	32,817
Comparatives for support costs			
General activities	178	2,413	2,591
Grant making	11,083	-	11,083
	11,627	2,471	14,098

Support costs, included in the above, are as follows:

Management

	General activities £	Grant making £	2022 Total activities £	2021 Total activities £
Grant publicity, assessment & monitoring	-	28,889	28,889	10,934
Travel and meetings	-	-	-	149
Bank charges	220	-	220	178
Payroll administration	417	-	417	-
	637	28,889	29,526	11,261

Woodsmith Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2022**

6. Support costs - continued

Support costs, included in the above, are as follows:

Governance costs

	2022	2021
	General activities	Total activities
	£	£
Auditors' remuneration	2,520	2,400
Insurance	771	-
Sundry governance expenses	-	13
	<u>3,291</u>	<u>2,413</u>

Auditor's remuneration

	2022	2021
	£	£
Audit and accounts preparation	2,520	2,400
Payroll administration	417	-
	<u>2,937</u>	<u>2,400</u>

7. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Audit	<u>2,520</u>	<u>2,400</u>

Woodsmith Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2022**

8. Trustees' remuneration and benefits

No trustee received any remuneration, or other benefits during the year. (2021 - Nil)

Trustees' expenses

No expenses were reimbursed to any trustee during the year (2021: £58 to one Trustee).

9. Staff costs

	2022	2021
	£	£
Wages and salaries	54,321	8,144
Social security costs	1,641	-
Other pension costs	<u>4,782</u>	<u>-</u>
	<u><u>60,744</u></u>	<u><u>8,144</u></u>

The average monthly number of employees during the year was as follows:

	2022	2021
Full time	1	1
Part time	<u>1</u>	<u>-</u>
	<u><u>2</u></u>	<u><u>1</u></u>

The full time equivalent number of staff at 31 May 2022 was 1.13 (2021: 1.00).

No employees received emoluments in excess of £60,000.

The total remuneration of key management personnel amounted to £54,440 (2021: £8,144).

10. Fixed asset investments

	Cash and settlements pending £
Market value	
At 1 June 2021	100,932
Additions	<u>123</u>
At 31 May 2022	<u>101,055</u>
Net book value	
At 31 May 2022	<u><u>101,055</u></u>
At 31 May 2021	<u><u>100,932</u></u>

There were no investment assets outside the UK.

Woodsmith Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2022**

11. Debtors: amounts falling due within one year	2022	2021
	£	£
Other debtors	9,288	-
Prepayments and accrued income	<u>777</u>	<u>771</u>
	<u>10,065</u>	<u>771</u>
12. Creditors: amounts falling due within one year	2022	2021
	£	£
Trade creditors	2,400	-
Grant creditors	425,296	42,430
Accrued expenses	<u>2,520</u>	<u>2,400</u>
	<u>430,216</u>	<u>44,830</u>
13. Provisions for liabilities	2022	2021
	£	£
Provision for outstanding grants	<u>45,000</u>	<u>50,000</u>
Balance brought forward		£ 50,000
Grant offers for which timing is uncertain		<u>(5,000)</u>
Balance carried forward		<u>45,000</u>
14. Related party disclosures		

A donation of £1,000,000 was made by Anglo American to the Foundation during the year.

WOODSMITH FOUNDATION LIMITED

England & Wales - Charity number 1163127

Accounts



Sirius Minerals Foundation Limited

Report of the Trustees and
Audited Financial Statements
for the year ended

31 May 2021

Registered Company Number: 08087609 (England and Wales)
Registered Charity Number: 1163127

Ashby Berry Coulsons

Chartered Accountants
Two Belgrave Crescent
Scarborough

Sirius Minerals Foundation Limited

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for the Year Ended 31 May 2021**

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Sirius Minerals Foundation Limited

Reference and Administrative Details for the Year Ended 31 May 2021

Trustees	I C Swales	Chair
	J Flynn	
	N Irving	
	J Samuel	Appointed 23 November.2020
	M J Narey	Appointed 21 April 2021
	E Walmsley	Appointed 9 March 2021
	W B Woods	Appointed 29 April 2021
	D Archer	Resigned 17 February 2021
	G Edmunds	Resigned 23 November 2020
	R Hunt	Resigned 28 February 2021
	L Swain	Resigned 21 October 2020
Chief Executive	Leah Swain	
Registered office	Resolution House Lake View Scarborough North Yorkshire YO11 3ZB	
Registered company number	08087609 (England and Wales)	
Registered charity number	1163127	
Auditors	Ashby Berry Coulsons Limited Statutory Auditor 2 Belgrave Crescent Scarborough North Yorkshire YO11 1UB	
Bankers	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	

Sirius Minerals Foundation Limited

Chairman's Report for the Year Ended 31 May 2021

I am pleased to present the Financial Statements and Accounts for the year ending 31st May 2021 on behalf of the Trustees of the Sirius Minerals Foundation. The Foundation aims to create a lasting legacy from the Woodsmith Mine being built in the North York Moors National Park with the processing facility at Redcar. We aim to support projects that are important to the people who live in our area of benefit and which can make a positive contribution to our local communities.

Like so many funders our plans have had to respond to the changing environment voluntary and community groups found themselves in due to the continuing Covid-19 pandemic. It was important to the Trustees that prioritised funding for organisations who were working hard at grassroots level to help individuals in their communities. We made a second tranche of small emergency grants totalling £27,000 to 6 food banks and community organisations across the area recognising their importance in supporting local people impacted by the coronavirus crisis. We contributed £25,000 to Two Ridings Community Foundation to establish the Scarborough Children and Young People Fund in response to the mental health crisis in young people which has worsened considerably as a result of the pandemic. Our contribution attracted match funding from the DCMS match funding challenge allowing 11 grants of £54,000 to be awarded to local groups. We made grants of £350,000 to 29 voluntary and community organisations to help them weather the negative impact of Covid-19 on their income, change their services to a virtual online offer for their beneficiaries, develop their digital capabilities and plan for further disruption and adaptation. Towards the end of the financial year we launched a new round of Covid-19 response funding to support projects that would focus on helping people in our community to regain their confidence and restart their lives. Finally, we continued to fund and monitor 7 local sports clubs through our participation in sport large capital grants, offering flexibility and grant extensions as Covid-19 impacted on their ability to deliver their building projects. This brings the total grants awarded to date to £1,263,000 for projects throughout Redcar and Cleveland, Whitby, Scarborough and the North York Moors National Park.

In April 2020 we were pleased to appoint the Foundation's first Chief Executive, Leah Swain, who joins us after a career in business start up support, public sector programme delivery and leading a regional Yorkshire charity. This is an exciting time for the Foundation as we test and trial grant making approaches over the next few years. Having staff capacity will allow us to be more responsive to local need and engage with local networks. We will take on further employees as we prepare to receive larger annual donations from Anglo American when the Woodsmith Mine goes into production.

With a number of Trustees coming to the end of their terms of office there was substantial change in the Board. I would like to place on record my thanks for the hard work and wisdom of the outgoing Trustees which enabled the Foundation to become well established. The new Trustees display a wide range of skills and experience and I am confident that the Foundation has a strong Board for the future.

We have plenty of listening and learning to do - to ensure we develop and shape spend plans that meet the needs of our local communities and inform our thinking as we look to create a longer term strategy for the Foundation. We are working to forge new relationships with a range of partners and get to know better our portfolio of grant funded organisations. The work of the Foundation is exciting - we can create positive, generational change with communities we support and although we are very much in the early years of our journey I am confident that the Foundation will develop into a key local funder which keeps local communities at the heart of our work and supports local people to make the changes they want to see.

Ian Swales
Chair

Sirius Minerals Foundation Limited

Report of the Trustees for the Year Ended 31 May 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 May 2021. The trustees have adopted the provisions of 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).

This report includes the directors' report required by company law.

Objectives and activities

The Foundation's objects are for the public benefit particularly in the area of benefit to:

- 1) advance education including by supporting projects and training that benefit people from the area of benefit by enhancing their skills;
- 2) promote the general health of the community;
- 3) advance environmental protection and improvement including by enhancing the local landscape;
- 4) provide and improve facilities in the interests of social welfare and leisure time occupation with the objective of improving the conditions of life for the residents; and
- 5) relieve those in need because of financial hardship by virtue of being out of work, particularly the long term unemployed, by helping them to gain skills.

The area of benefit is the area south of the river Tees and within the boundaries of Redcar and Cleveland Borough Council, Scarborough Borough Council and the North York Moors National Park.

The trustees are obliged to:

- o exercise a preference for applying the charity's funds close to Anglo American's area of operations in the area of benefit; and
- o only apply funds outside the area of benefit if the trustees pass a unanimous resolution in support of such an application of funds, and not to apply more than 25% of its annual budget in any one year outside the area of benefit.

At present, the trustees are fulfilling these objects by making grants to local organisations.

The Foundation does not raise funds from the general public.

Sirius Minerals Foundation Limited

Report of the Trustees for the Year Ended 31 May 2021

The trustees confirm that they have had regard to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives, in planning future activities, and setting the grant making policy for the year.

In 2020/21 the trustees commenced the year by making the grant payments for the £350K of Covid-19 Recovery and Response grants that were awarded at the end of the previous year. Staying with Covid-19 funding the trustees repeated the small emergency grants to 6 food banks and community support organisations. The £27,000 was for core costs to allow these groups to support individuals needing help as a result of the pandemic, ranging from emergency food supplies to keeping isolated, vulnerable people connected. The Foundation contributed £25,000 to Two Ridings Community Foundation who were able to then secure the same amount in match funding from DCMS and contributions from other partners to create the Scarborough Children and Young People Fund. This fund awarded £54,000 in 11 grants to organisations who were working to help young people with mental health concerns. In addition, the Foundation was proactive and flexible in acknowledging that some existing grant holders might struggle to deliver projects that were agreed prior to the pandemic. We contacted all grant holders to check whether they were still able to deliver their projects or could usefully adapt their delivery of the project to better support people impacted by the pandemic.

The Foundation trustees were supported in the grant assessments by an external consultant with all grant recommendations being discussed and agreed by a small subgroup of Trustees prior to formal decisions being approved by the full Board.

Following the appointment of a Chief Executive a proposed spend plan for 2021/22 was discussed by the Trustees at the April 2021 Board meeting and feedback given that shaped the final plan, which featured a range of open grant rounds, reactive grant funds and development projects.

Achievement and performance

The trustees consider that the Foundation has operated effectively during a time of change and they have made their best effort to be a flexible and responsive funder, seeking to help local, grassroots organisations to support vulnerable individuals during the Covid-19 crisis. The trustees have proactively reviewed their 10 year funding plan and ensured they are spending significant sums while maintaining enough in reserve for the ongoing uncertainty of both the pandemic and the fluctuating date of the Woodsmith Mine going into production. The trustees are pleased that Anglo American continues to be supportive of the Foundation and made a £1m donation in March 2021, the second instalment of the £4m agreed by Anglo American in advance of revenue being generated from the Woodsmith Mine. Anglo American also kindly provides pro bono support in the shape of time from a number of their employees to support the Foundation with administration, finance and marketing and communication activities.

The Trustees have continued to exercise a degree of scrutiny over the effectiveness of the grants, but were aware they were reaching a point when further support would be needed to both monitor existing grants and develop new grant rounds. They made the decision in 2020 to recruit the Foundation's first Chief Executive and Leah Swain was appointed to the role in April 2021. The Chief Executive developed an annual operational plan and a spend plan for 2021/22.

Overall, the Trustees are pleased with the level of interest that is expressed in each of the advertised grant-making rounds and consider that the apportionment of grants is both fair and in keeping with the objects of the Foundation.

Sirius Minerals Foundation Limited

Report of the Trustees for the Year Ended 31 May 2021

Financial review

Summary

The Foundation held reserves of £2,660,105 at 31 May 2021. All funds were unrestricted and a ten year spend plan and five year projected income plan are revisited annually.

The Foundation's work is entirely reliant on income from Anglo American and income and capital returns from its investment portfolio. A further major payment to the Foundation of £1 million was received during the year, bringing the total contributions from the Woodsmith Mine project to £4 million, with a further two payments of £1 million each committed by Anglo American. This payment/donation is 'ex gratia' as it sits outside the formal grant agreement. On this basis there is no commitment for a percentage of the monies to be invested in medium term, low-risk funds.

Main events

Due to the uncertainty around the 2020/21 pandemic and Brexit, investment funds were held in a cash deposit account with CAF Bank during the period. In addition the Foundation has £100,000 invested with CCLA, a not-for-profit organisation that invests on behalf of public bodies and charities. Not all of the funds operated by CCLA are currently open to the Sirius Minerals Foundation.

At the end of the period total cash plus investments amounted to £2,654,003. These balances are held in line with the ten year plan outlined above.

Future activities

The trustees have reviewed the cash position of the Foundation and made a commitment to spend between £1m and £1.5m in the coming year, 2021/22. This increase in proposed spend takes account of the additional committed donations from Anglo American. We anticipate that our programme of work will include support for; local organisations to respond to the impact of Covid-19; young people with emotional wellbeing needs; climate change action projects; key community assets; and older people facing loneliness and increased frailty due to the pandemic. The trustees are also interested in exploring how we might support local people take on leadership roles in their community and deliver projects that meet neighbourhood level needs.

The Trustees will continue to also seek other projects and deserving causes for the receipt of grants that are in alignment with the Foundation's objectives.

Sirius Minerals Foundation Limited

Report of the Trustees for the Year Ended 31 May 2021

Structure, governance and management

Sirius Minerals Foundation Limited was incorporated as a company limited by guarantee on 29 May 2012. It is governed under its Memorandum and Articles of Association and was registered as a charity on 13 August 2015.

Under the Articles of Association, the membership of the charitable company comprises Anglo American and two Independent Members.

As set out in the Articles, the charity is managed by seven trustees, who are also directors of the company. Four of these trustees are appointed by the Independent Members and three by Anglo American. On appointment trustees are provided with information on the Foundation and on their role as charity trustees and company directors.

Four new trustees were appointed in this accounting period. They replaced Gareth Edmunds, David Archer and Richard Hunt, who had stood down having reached the end of their maximum 8 year appointment and Leah Swain who resigned from the Board in summer 2020 to avoid any conflict of interest once the Board decided to proceed with the recruitment of a Chief Executive as she had expressed an interest in applying to through the open recruitment process.

The new trustees appointed were Jonathan Samuel and William Woods as corporate trustees and Sir Martin Narey and Elizabeth Walmsley as independent trustees. These trustees bring new skills, experience and knowledge to the Board. We are grateful for all our trustees time, enthusiasm and energy and would like to thank them for their contribution to the work of the Foundation.

The Trustees held seven formal Board meetings that were supplemented by email discussions throughout the year. These were held on:

2 June 2020
9 July 2020
5 August 2020
21 October 2020
6 January 2021
17 February 2021
21 April 2021

The reports received at meetings enable the trustees to monitor major risks to which the Foundation is exposed so that necessary steps can be taken to manage those risks.

Statement of compliance with prevailing laws and regulations

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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) issued in October 2019.

Statement of trustees' responsibilities

The trustees (who are also the directors of Sirius Minerals Foundation Limited for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Sirius Minerals Foundation Limited

**Report of the Trustees
for the Year Ended 31 May 2021**

Statement of trustees' responsibilities - continued

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Statement of compliance with prevailing laws and regulations

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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 published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 26 January 2022 and signed on its behalf by:

.....
I C Swales - Chair

**Report of the Independent Auditors to the Members of
Sirius Minerals Foundation Limited
for the Year Ended 31 May 2021**

Opinion

We have audited the financial statements of Sirius Minerals Foundation Limited (the 'charitable company') for the year ended 31 May 2021 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 (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 May 2021 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on 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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 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.

**Report of the Independent Auditors to the Members of
Sirius Minerals Foundation Limited
for the Year Ended 31 May 2021**

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements 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.

**Report of the Independent Auditors to the Members of
Sirius Minerals Foundation Limited
for the Year Ended 31 May 2021**

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our audit procedures include:

Performing audit work over the risk of grants being awarded to non bona fide recipients or outside the objects of the charity;

Reviewing minutes of meetings of those charged with governance;

Reviewing financial statement disclosures to assess compliance with applicable laws and regulations;

Enquiry of management and those charged with governance concerning potential litigation and claims.

We consider that these procedures, together with evidence acquired from our other audit work, provide an audit approach enabling a reasonable likelihood of detection of irregularities.

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

A further description of our responsibilities 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 Report of the Independent Auditors.

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 auditors' 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.

Anne Mead BSc FCA (Senior Statutory Auditor)
for and on behalf of Ashby Berry Coulsons Limited
Statutory Auditor
2 Belgrave Crescent
Scarborough
North Yorkshire
YO11 1UB

Date: 23 February 2022

Sirius Minerals Foundation Limited

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 May 2021**

	Notes	2021 Unrestricted fund £	2020 Total funds £
Income and endowments from			
Donations and legacies	2	1,000,000	1,006,782
Investment income	3	<u>58</u>	<u>566</u>
Total		1,000,058	1,007,348
Expenditure on			
Raising funds	4	-	78
Charitable activities	5		
General activities		12,074	2,971
Grant making		<u>407,824</u>	<u>329,205</u>
Total		419,898	332,254
NET INCOME		580,160	675,094
Reconciliation of funds			
Total funds brought forward		2,080,716	1,405,622
Total funds carried forward		<u>2,660,876</u>	<u>2,080,716</u>

The notes form part of these financial statements

Sirius Minerals Foundation Limited (Registered number: 08087609)

**Balance Sheet
31 May 2021**

	Notes	2021 Unrestricted fund £	2020 Total funds £
Fixed assets			
Investments	12	100,932	100,874
Current assets			
Debtors	13	771	6,781
Cash at bank		<u>2,654,003</u>	<u>2,142,086</u>
		2,654,774	2,148,867
Creditors			
Amounts falling due within one year	14	(44,830)	(169,025)
		<u>2,609,944</u>	<u>1,979,842</u>
Net current assets			
		2,710,876	2,080,716
Total assets less current liabilities			
Provisions for liabilities	15	(50,000)	-
		<u>2,660,876</u>	<u>2,080,716</u>
NET ASSETS			
		2,660,876	2,080,716
Funds			
Unrestricted funds		<u>2,660,876</u>	<u>2,080,716</u>
Total funds		<u>2,660,876</u>	<u>2,080,716</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 26 January 2022 and were signed on its behalf by:

.....
IC Swales - Chair

The notes form part of these financial statements

Sirius Minerals Foundation Limited

**Cash Flow Statement
for the Year Ended 31 May 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>511,917</u>	<u>706,111</u>
Net cash provided by operating activities		<u>511,917</u>	<u>706,111</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(58)	(566)
Interest received		<u>58</u>	<u>566</u>
Net cash provided by investing activities		<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period			
		511,917	706,111
Cash and cash equivalents at the beginning of the reporting period		<u>2,142,086</u>	<u>1,435,975</u>
Cash and cash equivalents at the end of the reporting period		<u><u>2,654,003</u></u>	<u><u>2,142,086</u></u>

The notes form part of these financial statements

Sirius Minerals Foundation Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 May 2021**

1. Reconciliation of net income to net cash flow from operating activities

	2021	2020
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	580,160	675,094
Adjustments for:		
Interest received	(58)	(566)
Decrease/(increase) in debtors	6,010	(6,781)
(Decrease)/increase in creditors	<u>(74,195)</u>	<u>38,364</u>
Net cash provided by operations	<u>511,917</u>	<u>706,111</u>

2. Analysis of changes in net funds

	At 1.6.20	Cash flow	At 31.5.21
	£	£	£
Net cash			
Cash at bank	<u>2,142,086</u>	<u>511,917</u>	<u>2,654,003</u>
	<u>2,142,086</u>	<u>511,917</u>	<u>2,654,003</u>
Total	<u>2,142,086</u>	<u>511,917</u>	<u>2,654,003</u>

The notes form part of these financial statements

Sirius Minerals Foundation Limited

Notes to the Financial Statements for the Year Ended 31 May 2021

1. Accounting policies

General information

Sirius Minerals Foundation Limited is a charitable company limited by guarantee and registered in England / Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to make grants towards projects and individuals/organisations which meet the criteria set out in the charity's objects.

Basis of preparing the financial statements

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Judgements and key sources of estimation uncertainty

The trustees consider that no judgements, apart from those involving estimates, have been made in the process of applying the above accounting policies which have had a significant effect on amounts recognised in the financial statements.

The trustees consider that no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date have been made which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Funds

Unrestricted funds 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.

Fund comparatives

The charity has had only one, unrestricted, fund during the current and previous year therefore comparative information is available from the primary financial statements.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Sirius Minerals Foundation Limited

Notes to the Financial Statements - continued for the Year Ended 31 May 2021

1. Accounting policies - continued

Donated services and facilities

No amount is included in the financial statements for volunteer time, including time spent by trustees in assessing and monitoring grants, in line with the SORP (FRS 102). Administrative support, for which no charge is made, is provided by Anglo American. Further detail is given in the Trustees' Annual Report.

Investment income receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administrative and governance costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted mid-market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Sirius Minerals Foundation Limited

Notes to the Financial Statements - continued for the Year Ended 31 May 2021

1. Accounting policies - continued

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated

Taxation

The charity is exempt from corporation tax on its charitable activities.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. In their view the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Donations and legacies

	2021	2020
	£	£
Donations from Anglo American	1,000,000	1,000,000
Other donations	-	6,782
	<u>1,000,000</u>	<u>1,006,782</u>

3. Investment income

	2021	2020
	£	£
Interest on investments	<u>58</u>	<u>566</u>

Sirius Minerals Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2021**

4. Raising funds

Investment management costs

	2021	2020
	£	£
Portfolio management	<u>-</u>	<u>78</u>

5. Charitable activities costs

	Direct Costs (see note 6) £	Grant funding of activities (see note 7) £	Support costs (see note 8) £	Totals £
General activities	9,483	-	2,591	12,074
Grant making	<u>-</u>	<u>396,741</u>	<u>11,083</u>	<u>407,824</u>
	<u>9,483</u>	<u>396,741</u>	<u>13,674</u>	<u>419,898</u>

Comparatives for charitable activities costs

General activities	-	2,971	2,971
Grant making	<u>318,078</u>	<u>11,127</u>	<u>329,205</u>
	<u>18,078</u>	<u>14,098</u>	<u>32,176</u>

6. Grants payable

	2021	2020
	£	£
Grant making	<u>396,741</u>	<u>318,078</u>

Grants paid during the year were made under the Foundation's First Covid Round, supporting Recovery & Response and Digital Transformation initiatives. In addition, a contribution was made to the Scarborough Children and Young People's Fund to for projects responding to the mental health crisis in young people and further small emergency grants were made to support the response to the Covid 19 pandemic. Grants awarded are summarised below.

	Number of recipients	Aggregate amount awarded £	Aggregate instalments paid in year £
Amount of grant			
First Covid Round			
£10,000 to £15,000	21	280,873	270,873
£5,000 to £9,999	9	60,205	45,991
£1,000 to £4,999	5	15,677	15,677

Sirius Minerals Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2021**

6. Grants payable - continued

Amount of grant	Number of recipients	Aggregate amount awarded £	Aggregate instalments paid in year £
Scarborough Children & Young People (with Two Ridings Community Foundation) £25,000	1	25,000	25,000
Special grants - Covid 19 £10,000	1	10,000	10,000
£5,000 to £9,999	2	11,486	11,486
£1,000 to £4,999	3	6,000	6,000
Previous years' grants not taken up	_____	(12,500)	_____
Total	<u>42</u>	<u>396,741</u>	<u>385,027</u>

7. Support costs

	Management £	Governance costs £	Totals £
General activities	178	2,413	2,591
Grant making	<u>11,083</u>	-	<u>11,083</u>
	<u>11,261</u>	<u>2,413</u>	<u>13,674</u>
Comparatives for support costs			
General activities	500	2,471	2,971
Grant making	<u>11,127</u>	-	<u>11,127</u>
	<u>11,627</u>	<u>2,471</u>	<u>14,098</u>

Support costs, included in the above, are as follows:

Management

	General activities £	Grant making £	2021 Total activities £	2020 Total activities £
Grant publicity, assessment & monitoring	-	10,934	10,934	11,160
Travel and meetings	-	149	149	333
Bank charges	<u>178</u>	-	<u>178</u>	<u>134</u>
	<u>178</u>	<u>11,083</u>	<u>11,261</u>	<u>11,627</u>

Sirius Minerals Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2021**

7. Support costs - continued

Governance costs

	2021	2020
	General activities	Total activities
	£	£
Auditors' remuneration	2,400	2,400
Travel and subsistence	-	58
Sundry governance expenses	<u>13</u>	<u>13</u>
	<u>2,413</u>	<u>2,471</u>

8. Independent examiner's remuneration

	2021	2020
	£	£
Audit and accounts preparation current year	<u>2,400</u>	<u>2,400</u>

9. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Audit	<u>2,400</u>	<u>2,400</u>

10. Trustees' remuneration and benefits

No trustee received any remuneration, or other benefits during the year. (2020 - Nil)

Sirius Minerals Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2021**

10. Trustees' remuneration and benefits - continued

Trustees' expenses

No expenses were reimbursed to any trustee during the year (2020: £58 to one Trustee).

11. Staff costs

	2021	2020
	£	£
Wages and salaries	<u>8,144</u>	<u>-</u>
	<u><u>8,144</u></u>	<u><u>-</u></u>

The full time equivalent number of staff at 31 May 2021 was 1 (2020: 0).

The average monthly number of employees during the year was as follows:

	2021	2020
From April 2021	<u><u>1</u></u>	<u><u>-</u></u>

No employees received emoluments in excess of £60,000.

12. Fixed asset investments

	Cash and settlements pending £
Market value	
At 1 June 2020	100,874
Additions	<u>58</u>
At 31 May 2021	<u><u>100,932</u></u>
Net book value	
At 31 May 2021	<u><u>100,932</u></u>
At 31 May 2020	<u><u>100,874</u></u>

Sirius Minerals Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2021**

13. Debtors: amounts falling due within one year	2021	2020
	£	£
Other debtors	-	6,781
Prepayments and accrued income	<u>771</u>	<u>-</u>
	<u>771</u>	<u>6,781</u>
14. Creditors: amounts falling due within one year	2021	2020
	£	£
Trade creditors	-	10,794
Grant creditors	42,430	155,831
Accrued expenses	<u>2,400</u>	<u>2,400</u>
	<u>44,830</u>	<u>169,025</u>
15. Provisions for liabilities	2021	2020
	£	£
Provision for outstanding grants	<u>50,000</u>	<u>-</u>
		£
Balance brought forward		-
Grant offers for which timing is uncertain		<u>50,000</u>
Balance carried forward		<u>50,000</u>
16. Related party disclosures		

A donation of £1,000,000 was made by Anglo American to the Foundation during the year.