

# THE IMPACT FACILITY

England & Wales · Charity number 1181077

## Details

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**Status** Registered

**Legal form** CIO

**Registered** 2018-12-10

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Avening Park  
West End  
Avening  
Tetbury  
GL8 8NE

**Phone** 07884298816

**Website** [www.theimpactfacility.com](http://www.theimpactfacility.com)

## Activities

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**Objects:** THE OBJECTS OF THE CIO ARE AS FOLLOWS: THE IMPACT FACILITY EXISTS FOR THE FOR THE PUBLIC BENEFIT TO; 1. PROMOTE SUSTAINABLE DEVELOPMENT FOR THE BENEFIT OF COMMUNITIES AND LANDSCAPES IN DEVELOPING NATIONS AND COUNTRIES IN TRANSITION. THE IMPACT FACILITY WILL CONTRIBUTE BY: A) THE PRESERVATION, CONSERVATION AND THE PROTECTION OF THE ENVIRONMENT AND THE PRUDENT USE OF NATURAL RESOURCES; B) THE RELIEF OF POVERTY AND THE IMPROVEMENT OF THE CONDITIONS OF LIFE IN SOCIALLY AND ECONOMICALLY DISADVANTAGED COMMUNITIES; IN DEVELOPING NATIONS AND TRANSITIONING COUNTRIES. C) THE PROMOTION OF SUSTAINABLE MEANS OF ACHIEVING ECONOMIC GROWTH AND REGENERATION. IN THIS CONTEXT SUSTAINABLE DEVELOPMENT IS DEFINED AS, 'DEVELOPMENT WHICH MEETS THE NEEDS OF THE PRESENT WITHOUT COMPROMISING THE ABILITY OF FUTURE GENERATIONS TO MEET THEIR OWN NEEDS'. NOTHING IN THIS CONSTITUTION SHALL AUTHORISE AN APPLICATION OF THE PROPERTY OF THE CIO FOR THE PURPOSES WHICH ARE NOT CHARITABLE IN ACCORDANCE WITH SECTION 7 OF THE CHARITIES AND TRUSTEE INVESTMENT (SCOTLAND) ACT 2005 AND SECTION 2 OF THE CHARITIES ACT (NORTHERN IRELAND) 2008

**Activities:** Capacity development and technical assistance services to small and medium-sized enterprises in rural communities.

## Classification

- **How:** Makes Grants To Organisations, Provides Services, Provides Advocacy/advice/information
- **What:** The Prevention Or Relief Of Poverty, Economic/community Development/employment, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Other Defined Groups

## Geography

- Congo (Democratic Republic)
- Kenya
- Uganda

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,889,977	£1,702,093	£281,009	16
2023-12-31	£1,460,581	£1,521,867	£117,720	12
2022-12-31	£1,378,717	£1,528,961	£194,041	8
2022-03-31	£1,037,769	£803,598	£323,296	3
2021-03-31	£319,359	£233,271	-	-

## Trustees

Name	Role	Appointed
Barbara Visser		2023-02-15
Dr Assheton Carter PHD		2018-11-01
STEVEN LOWE		2022-06-01
Stacy Hope		2023-06-01

**THE IMPACT FACILITY**

England & Wales - Charity number 1181077

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# Accounts

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Charity Registration No. 1181077

**THE IMPACT FACILITY**  
**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

# THE IMPACT FACILITY

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Dr A Carter PHD Mr S Lowe Ms B Visser Ms S Hope
<b>Charity number</b>	1181077
<b>Principal address</b>	Avening Park West End Tetbury Gloucestershire GL8 8NE
<b>Auditor</b>	Shaw Gibbs (Audit) Limited 264 Banbury Road Oxford OX2 7DY
<b>Bankers</b>	Lloyds Bank 13-14 Cornmarket Thame Oxon OX9 2BN

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# THE IMPACT FACILITY

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# THE IMPACT FACILITY

## TRUSTEES' REPORT

### **FOR THE YEAR ENDED 31 DECEMBER 2024**

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The Trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note to the financial statements and comply with the charity's trust deed, 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) (effective 1 January 2019)".

#### **Objectives and activities**

The Impact Facility exists for the public benefit regarding:

1. The promotion of sustainable development for the benefit of communities and landscapes surrounding mining communities in developing nations and countries in transition. The Impact Facility will contribute through:

a) the preservation, conservation and the protection of the environment and the prudent use of natural resources, with a particular focus on mined resources.

b) the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged mining communities, in developing nations and transitioning countries.

c) the enabling of sustainable means of achieving economic growth and regeneration.

In this context sustainable development is defined as, "development which meets the needs of the present without compromising the ability of future generations to meet their own needs".

Nothing in this constitution shall authorise an application of the property of the CIO for the purposes which are not charitable in accordance with section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and section 2 of the Charities Act (Northern Ireland) 2008.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. For more information on the CIO see section 5.

#### **Achievements and performance**

Key achievements of The Impact Facility have revolved around two core initiatives: The Fair Cobalt Alliance (FCA) and programmes implemented to improve gold mining communities in the Lake Victoria region, known as the Lake Victoria 2030 Programme.

##### The Fair Cobalt Alliance

The Impact Facility is a co-founding member of the Fair Cobalt Alliance (FCA) and serves as the permanent secretariat of the multi-stakeholder alliance established in August 2020 to address complex developmental issues in artisanal cobalt production communities in the DRC, starting with the Kamilombe mine in the Kapata Community of Kolwezi, Lualaba province. The Alliance was founded by Fairphone, Signify, Glencore and The Impact Facility and has a total of 19 members, across the global cobalt supply chain.

The strategic areas that the Alliance focuses on are clustered around the following workstreams:

Safe and fair working conditions: To improve workers' health and safety as well as trade transparency and their terms of payment, we support the provision of adequate personal protective equipment (PPE), worker training, and transparent and fair buying practices at the trading stations.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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**Child labour remediation and prevention:** The Alliance is working with local co-operatives and civil society to build a scalable child labour remediation and prevention system. Taking a child rights approach, we seek to promote school attendance and vocational training and job opportunities for youth.

**Economic resilience:** We invest in community programmes around the mine sites, designed to create and diversify sustainable livelihoods and accessible to all community members. Widespread poverty can only be addressed by fostering entrepreneurship and creating job opportunities in the community – outside the artisanal mining sector.

**Value Chain Participation:** Any organisation operating as part of — or associated with — the global cobalt supply chain should consider how it might best contribute to solutions to the challenges involved in artisanal cobalt production. By taking a holistic approach, incorporating every stage of the supply chain, we can identify root causes and construct effective solutions to address the issues.

#### Governance

The Impact Facility manages the Fair Cobalt Alliance as a stand-alone initiative and ensures that all funding is allocated to projects approved and accounted for by the FCA Steering Committee. In 2023, the members of the Steering Committee included representatives from the Centre Arrupe pour la Recherche et la Formation (CARF), The Centre for Child Rights and Business, Tesla, Glencore, LG Energy Solution and Fairphone. The Steering Committee meets once every six weeks to provide strategic oversight of the work of the FCA.

**Advisory Board:** Launched in April 2022, the Advisory Board consists of 14 third-party advisors with relevant experience in the sector selected by the Secretariat in consultation with the Steering Committee. The Advisory Board's role is to provide non-binding advice to the Secretariat. The Board met twice in 2023, to provide input and perspective to the shaping of the FCA's strategic direction, first in June and the second time in November.

#### The Fair Cobalt Alliance work and achievements in 2024

Key achievements of The Impact Facility have revolved around two core initiatives: The Fair Cobalt Alliance (FCA) and programmes implemented to improve gold mining communities in the Lake Victoria region, known as the Lake Victoria 2030 Programme.

#### Fair Cobalt Alliance (FCA)

##### Membership

Internationally, the Alliance for Responsible Mining (ARM), Northvolt, and TELF AG joined the FCA, bringing the total membership to 21 members.

##### Legalisation support for Kamilombe mine site

The effort to legalise Kamilombe continued in 2024 towards Gécamines, the site owner, but remained unsuccessful with RMAC and Cabinet Mbuyu, as Gécamines had other priorities for the site. In return, Gécamines has been able to amodiate the sites of Tombolo (3 mining squares) and Kanunka (2 mining squares) to the Entreprise Generale du Cobalt (EGC), a State Company belonging to Gécamines (95%) and the Congolese State (5%). EGC and FCA are in the process of signing an MoU for their collaboration. Thus, a Consortium comprising EGC, FCA, C4D, and Better Mining has been formed to work together in the formalisation and professionalisation of the ASM in the 2 mine sites.

##### Legalisation of The Impact Facility (TIF)

FCA undertook the process of TIF legalisation by hiring the Cabinet CMA to proceed to the obtention of the registration a the Ministry of Plan as well all the relevant documents regarding the registration, personnel, functioning, and legal set-up for legally doing business in the DRC including the Registration Certificate, the Accord cadre and the Inter-ministerial decree granting administrative, fiscal, and customs facilities and the framework agreement with the Congolese State and other formalities to obtain legal personality, ONEM, INPP, CNSS and Tax number.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### Enabling safe and dignified working conditions

FCA implemented various interventions to improve safety measures, including the provision of personal protective equipment (PPE), pit roofing, worker training, and ventilation of the pits at Kamilombe.

The FCA has worked in collaboration with CMDS in the implementation of Occupational Health and Safety (OHS) activities, including the following:

- 6 OHS committee meetings were held with the participation of the Cooperative CMDS, Kamoto Copper Company (KCC), Service d'Assistance et d'Encadrement de l'Exploitation Minière Artisanale et à Petite Échelle (SAEMAPE), and FCA. These meetings were held to review, evaluate, and develop management plans for mine operational safety.
- OHS awareness-raising campaigns: To socialise a culture of safety at the mine site, the FCA implemented several interventions in 2024. These include:
  - 22 toolbox training sessions conducted by the 100 safety captains trained by the FCA in 2021 and 2022, reached over 4,000 miners.
  - The facilitation of 4 theatre performances on-site, reaching approximately 9,420 miners with messages about key safety practices such as PPE usage, pit roofing, cholera prevention, dust hazards, rainwater management, and site cleanliness.
  - 2 billboards were erected last year at the Kamilombe mine site, bringing the total number to 22 billboards that serve as visual reminders of proper health and safety protocols.
  - The broadcasting of jingles via radio and television, which began in 2023, continued in the first quarter of 2024, raising awareness on mine site safety to the wider to the benefit of the Lualaba artisanal mining community
- PPE Provision, the FCA did the following interventions:
  - 235 helmets and headlamps were supplied to the CMDS for the underground miners.
  - 200 pairs of gloves and goggles were provided to the miners in Kamilombe.
  - 17 pairs of gumboots, 34 pairs of gloves, and 34 pairs of goggles were provided to the site cleaners.
  - 4 stretchers and 4 neck braces were provided to the health center at Kamilombe to serve the miners in case of an emergency.
- Mine infrastructure improvements include:
  - The roofing of 131 underground tunnels with corrugated sheets enhances safety by improving rainwater management around the pits and reducing tunnel flooding, thereby stabilising mine entry tunnels and bringing the total number of tunnels roofed to 136. This practice has been put in place in replacement of tarpaulins that were formerly used and didn't guarantee sufficient pit protection.
  - Through the sale of credits (more information available below under the Responsible Minerals Mechanism), the FCA was able to purchase and install 8 underground ventilators, providing underground ventilation to 129 pits, benefiting 5,220 underground workers
  - Support to CMDS in the implementation of the registration system of workers. In 2024, 2335 workers were registered and got their member cards.

#### Child Labour Remediation and Mitigation

##### *A. The Hub for Child Labour Remediation & Mitigation*

The Hub was established in 2022 by The Centre for Child Rights and Business with the financial support of Save the Children Germany and the FCA. The FCA's 2024 financial contribution enabled the continuation of remediation support for 20 out of the 43 children, 14 of whom are still in the programme. 13 of the remaining children are in primary and secondary school, and 1 is enrolled in a vocational school. A total of 204 months of child labour remediation were provided in 2024 to the children receiving FCA's financial support, bringing the historical total to 304 months.

It is worth noting that the Hub, with the support of The Centre for Child Rights and Business, has supported 18 additional children, thanks to the financial support of Dormakaba and CMOC, bringing the total number of children supported by the overall programme to 38 by the end of 2024.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### *B. School Infrastructure Improvement*

In partnership with the London Metal Exchange (LME), Fair Cobalt Alliance continued to implement the project "Establishing a school improvement fund for support of cobalt mining communities in and around Kolwezi" which began in 2023. It aimed at improving school infrastructure and sanitation measures in the three schools in Kapata, as part of the child labour remediation programme. These efforts aim to enhance the learning environment, encouraging children to return to school rather than engage in mining activities.

The second phase of the project was funded by LME for USD 300,000. Given the USD 100,000 that remained from the First phase, the team has a total of USD 400,000 to conclude the construction of 1.2 km of brick fencing walls in three schools—Centre Promotion Familiale (CPF), Dima, and Kabulungu—to combat vandalism and enhance security, and the rehabilitation of school buildings and sanitary blocks in each school. Additional improvements include providing CPF, a vocational school, with technical teaching equipment and drilling a 120-meter-deep well in Dima to provide students and teachers with access to clean water for drinking and sanitary purposes.

#### *C. Support to Maison Kwetu Orphanage*

*Through the financial support of the FCA member Google for a sum of USD 164,000, solar equipment has been installed at the Maison Kwetu orphanage in Kolwezi. The home is a safe refuge for 137 boys, offering protection and assistance to orphans, abandoned, and vulnerable children. The facility was facing significant energy challenges, limiting its ability to meet the needs of its children. The project features a 47.25 kWp solar energy system alongside a 75-kWh battery storage, which powers the facility's daily operations. The increase in reliable energy has enabled reliable lighting, water pumping, cooking, refrigeration, and sufficient energy for electronic devices.*

#### USAID project: Professionalizing the Artisanal Copper-Cobalt Supply Chain in the Democratic Republic of the Congo (DRC)

The USAID 2 million grant was signed in December 2024 for the formalisation and professionalisation of the ASM at Kamilombe and Kanunka with Fair Cobalt Alliance (FCA) through a programme managed by The Impact Facility, in collaboration with Entreprise Générale du Cobalt (EGC) and the Responsible Minerals Initiative (RMI) to implement the "Professionalizing the Artisanal Copper-Cobalt Supply Chain in the Democratic Republic of the Congo (DRC)" project.

The project had to adopt a multi-stakeholder approach, leveraging the technical and financial contributions of partners who share the vision of responsibly produced artisanal copper-cobalt exports. These partners include Gecamines, the GIZ-funded project Cobalt 4 Development (C4D), and RCS Global Group with a traceability solution funded by the U.S. Department of Labour.

After the submission of Milestone 1 in January, the US Administration issued an executive order halting funding through USAID for a 90-day review period.

- In March, FCA was notified of the abrupt termination of the USD2M grant.
- Submission of invoices for the activities carried out between 6 Dec 2023 and 24 Jan 2024 is being shared for USAID to assess if any reimbursement is possible.
- Funding deficit places urgent efforts on fundraising
- FCA submitted an advocacy memo to the USAID DRC Embassy to advocate for the re-evaluation of the termination of this project.

#### Raising workers' income

FCA and its local implementing partner, Alternatives for Action (AFA), continued to support the Savings project comprising 21 old Voluntary Savings and Loans Associations (VSLAs) and 6 new VSLAS, making a total of 27 VSLAs or 604 members. The project focuses on community resilience by diversifying income sources, rather than relying solely on mining.

The VSLAs saved USD 110,500 in 2024, as well as USD 2,557 in the Solidarity funds. 203 Income Generating Activities (IGAs) have been created by the members. These IGAs contribute largely to the household income and meet educational and healthcare needs of the families that benefit.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### Achieving market acceptance of fair artisanal cobalt

##### A. Cobalt Credits

Since 2023 FCA and Fairphone, together with other members of the FCA, to launch the Responsible Mineral Credits (RMC) mechanism, a 'book and claim' based credit system that allows downstream companies to financially contribute to improvements at artisanal mine sites committed to professionalising their operations – enabling and incentivising the responsible production of artisanal cobalt, through joint work.

In 2024, the European Partnership for Responsible Mining (EPRM) provided a grant of € 320,000 to scale and digitise the mechanism, in partnership with Fairphone, the Alliance for Responsible Mining (ARM), and Datastake. In 2024, the revenue from the sale of cobalt credits enabled the purchase of 8 dynamos and 8 engines for USD 8,000, improving air circulation underground. These dynamos are ventilating 129 pits, improving safety for over 5,000 miners, reducing the risk of suffocation and gas poisoning.

##### B. RMI ASM Cobalt Normative Framework

CMDS commenced the implementation of the RMI ASM Cobalt Normative Framework to enhance environmental, social, and governance (ESG) performance at the Kamilombe mine site. An initial training on the seven principles of the framework was delivered to 20 participants, including 17 CMDS members and 3 state representatives (Provincial Ministry of Mines, SAEMAPE, Police of Mines), with a corrective action plan developed. Following this, CMDS conducted awareness sessions on-site, reaching a total of 4,516 individuals (3,359 men and 1,157 women).

#### Forging strategic partnerships & government relations

In the DRC, the FCA continued to forge partnerships with others, including state stakeholders such as the Cellule Technique de Coordination et de Planification Minière (CTCPM) and the Service d'Assistance et d'Encadrement de l'Exploitation Minière Artisanale et à Petite Échelle (SAEMAPE). Memorandums of Understanding have been drafted but not yet signed. The FCA is also in the process of formalising a partnership with the Entreprise Générale du Cobalt (EGC). The process is still ongoing.

#### Event participation

In 2024 FCA continued to be engaged in various events to raise awareness about our programme and connect with key stakeholders. Represented by different members of the team, the FCA participated in the following conferences:

- Investing in Mining Indaba in South Africa;
- OECD Forum on Responsible Mineral Supply Chains in France;
- DRC mining in Lubumbashi, the Katanga Business Meeting in Kolwezi;
- DRC-Africa Battery Metals Forum in Kinshasa, and the RBA/RMI Annual Conference;
- The Bellagio Convening.

Moreover, FCA, together with the Entreprise Générale du Cobalt, organized a landmark convening at Rockefeller Foundation's Bellagio Center on the shores of Lake Como, Italy, bringing together DRC government representatives, industrial mining leaders, commodity traders, development practitioners, financial institutions, the OECD, and other international partners, with additional participants joining online to tackle the complex challenges and unlock opportunities linked to the artisanal and small-scale copper-cobalt sector in the Democratic Republic of Congo (DRC) under the theme, "How can the country's vast artisanal copper-cobalt wealth be transformed into sustainable community prosperity?"

Over three days, participants engaged in deep discussions, applying their expertise to define the core principles for developing a legal and responsible artisanal mining sector. They also developed a clear roadmap for the future, outlining tangible commitments to support the initial pilots and the subsequent scaling of EGC's operations.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### Fundraising

- FCA worked all year in 2024 to form a consortium comprising EGC, GIZ (C4D), and Better Mining to support the formalisation and professionalisation of ASM at the new EGC sites granted by Gecamines. In December 2024, USAID granted USD 2 million for the project implementation. Unfortunately, in January 2025, there was a Stop Work Order from the American government for both this project and the Jet Minerals Challenge project.
- GM had previously donated USD 15,000 through the RMI Foundation and is now contributing USD 25,000 directly
- A Swiss outdoor company, Exped, which has limited electronics in its products, has expressed interest in engaging with cobalt credits for sustainability. While the financial impact is small, it marks the second company to engage with cobalt credits, potentially opening up further opportunities with an industry group.
- A £30,000 fund to support the CL Prevention & Remediation Hub from the ICA was Secured.
- FCA submitted a project to KCC, a project relating to stormwater management at Kamilombe (USD 140k).

#### Monitoring & Evaluation

In 2023 and 2024, the FCA conducted two surveys. The final report was published at the end of 2024. Through its Monitoring, Evaluation, and Learning (MEL) framework, the FCA seeks to ensure impact monitoring to be consistent, and representable for the wider workforce and adjacent community of the Kamilombe Mine in Kolwezi, the mine site with which the FCA is currently partnered with. As such, the surveys cover key areas such as population demographics, professional experience, safety, child labour, mineral marketing processes, stakeholder perceptions, and household goods and income. The first survey, conducted in 2023, serves as a baseline study, while the second survey, conducted in 2024, is the FCA's first follow-up study.

The purpose of these surveys is to provide insights into the socio-economic and operational conditions at the mine site and assess changes over the one-year period. The findings from the 2023 Baseline Survey and the 2024 Follow-Up Survey reveal improvements in several areas, including safety perceptions, income stability, and awareness of child labour issues. However, significant challenges remain, such as income variability and financial inclusion. The data underscore the need for continued efforts to enhance the well-being of miners, improve operational practices, and foster fair and transparent market processes. Supporting local cooperatives and addressing economic concerns through better purchase prices and improved working conditions are critical for sustainable progress in the artisanal cobalt mining sector.

#### Lake Victoria Gold Programme

The Impact Facility's Lake Victoria Gold Programme supports Artisanal and Small-Scale Gold mines to improve productivity and the responsible production of gold. Activities in 2024 took place almost exclusively in Kenya and Tanzania to:

- Support mines to access equipment through a lease-to-purchase programme
- Provide technical support to mines to improve their environmental, social and governance (ESG) performance against TIF's Impact Escalator. This support is provided through the Mine Your Own Business (MYOB) Academy.
- Increase downstream demand and support for responsible artisanally mined gold
- Put plans in place to launch the Responsible Gold Credits pilot project in Tanzania

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### Equipment Access in Kenya

Our work in Kenya was predominantly supported by the GenEM Foundation and European Partnership for Responsible Minerals, with investment finance provided by a private individual. Our work in Tanzania was also supported by the GenEM Foundation, with investment from the Livelihood Impact Fund (LIF) as well as some funding from the Netherland's Enterprise Agency and some administrative support from Solidaridad.

In Kenya, our equipment access work is implemented through a lease-to-purchase programme. By the end of 2024, we had active leases with six mines, with certain mines having taken on a second lease-to-purchase contract, after having successfully finished paying for the first. In total the mine workers benefitting from the lease-to-purchase programme are 190 workers (60 women). The total value of leases made was approximately USD 171,596, with c. USD 93,231 already repaid against these contracts. The lease programme had one default in the year 2024. This default was followed up by a "lessons learned" activity, where a full forensic on the issues that led to this default were undertaken. The information obtained from this forensic exercise has since been applied into the lease-to-purchase programme.

#### Mine performance & ESG progress in Kenya

In Kenya, the six mines active in our portfolio by the end of 2024. None of the mines reported an increase in their production between 2023-2024. Production mostly stabilised after initial months of leasing programme kick-off. However, there have been improvements in ESG performance at every mine site: for example, two-thirds of mines have made significant health and safety improvements; approx. half of the gold production we support is processed using alternative techniques to mercury; and record-keeping has improved across all mines.

By Q4 of 2024, 100% of all AMPs had their IPP's in place. As part of Continuous Improvement Plans (CIPs) Occupational Health and Safety (OHS) and record-keeping training was provided to three potential mines during the pilot session of the Mine Your Own Business Academy in Kenya.

#### Equipment Access in Tanzania

The lease programme has expanded into Tanzania in early 2024 through direct loans to be issued to the mine partner, who then directly purchase the required equipment. The process of releasing funds for our first loan encountered challenges as the Bank of Tanzania rejected the interest rate in the loan agreement and BRELA declined to register a debenture as the borrower had not submitted financial statements for the past two years. After considerable effort from TIF and the mine partner, these hurdles were overcome and the amended agreement signing process was underway at the end of Q3. Further to this, the Mining Commission clarified loan eligibility for TIF funding. Artisanal and Small-scale Miners (ASM) now require a bank letter confirming their inability to secure a loan elsewhere to be eligible for TIF loans. All these requirements from the regulators would be a major stumbling block for a large majority of potential AMPs.

This consideration forced TIF to pursue partnerships with financial institutions for loan disbursement for ease of disbursement. The National Bank of Commerce (NBC) was identified as a potential financial partner. Talks with NBC began in September 2024, where a delegation from TIF met physically with NBC bank officials in Dar-es-Salaam to discuss terms and start work on implementing a partnership.

#### Recruitment of Tanzania mine partners

TIF was in full swing with its recruitment of mining partners for its lease-to-own program in Tanzania. With a target of 6 mine partners to be onboarded into the programme by Q1 of 2025, the local TIF team was actively visiting leads provided by Solidaridad among other reliable sources. By the end of 2024, a total of 4 mine partners had been identified, with two already approved by the ICE Board and the remaining two due for a review in early 2025. However, due to the loan disbursement issue, as a result of stringent Tanzanian laws, it was agreed that the TIF-NBC partnership would probably be the best vehicle to use to disburse loans to the loan applicant mine partners.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### Design of the Responsible Gold Credits

In Tanzania, in relation to our equipment access work, efforts were focused on designing and implementing the Responsible mineral Credits programme, with plans to also launch the programme in Kenya upon realising success in Tanzania. A responsible Gold credit task force was constituted in May 2024, consisting of Solidaridad, Fairphone, BRUNA the Label and TIF. The Nsanganu gold mine, which was also the first mine partner working with TIF in Tanzania, was designated as the pilot site. By the end of 2024, a RGC implementation had been fully developed, and plans were well underway to successfully launch the RGC programme by Q1 2025.

#### Mercury Retort Design

Mercury retort redesign and retort use work that commenced in 2023, was further improved on in 2024. The programme, done in close partnership with Solidaridad, was undertaken to assist with uptake of mercury retorts by ASM gold processors. The initial mercury retort design received complaints from miners regarding their inability to view the burning of the amalgam, the lack of mercury recovery, and the increasing temperatures that caused the mercury retort lid to fuse, creating further difficulty when opening the apparatus. To address this, the design and fabrication team redesigned the retort. The latest design features a glass Pyrex cover, allowing for visibility during the evaporation process and incorporating the use of charcoal as well as gas.

#### Strategic Partnerships & Stakeholder Engagement

In Q3, we began discussions with Mwamba Mining, a Tanzanian junior mining company. They're setting up a centralized Carbon-in-Pulp (CIP) processing plant and are interested in partnering with TIF. This partnership would focus on TIF helping provide equipment to mines with which Mwamba Mining has a pre-purchase agreement. This collaboration could potentially streamline the bureaucratic process for foreign loan agreements in Tanzania and combine our expertise and resources to improve target Primary Mining Licenses (PMLs). We'll further explore this in Q4, aiming to draft an agreement pending donor approval and due diligence.

In Kenya, TIF organised a stakeholder forum on formalisation and access to finance in Migori, where participants engaged in a panel discussion with government stakeholders and finance institutions, that is, three recognized banks. There were fifty artisanal miners present. TIF participated in The Kenya Mining Investment forum on 30th November 2024, Exploring the role of critical minerals in strengthening foundations and unlocking business opportunities for a sustainable future.

#### Team Development

TIF ended Q4 by bringing on board a new Gold Programme Manager Edward Ndirangu who will be stepping into this role, starting January 20, 2025. In November, TIF hosted a Christmas social and learning exchange. The TIF Tanzania team, along with some of the TIF Kenya colleagues, visited the Migori office, where everyone participated in mine training activities and shared valuable insights from both programs.

#### Events

TIF also attended AWEIK's AGM on December 11, 2024, with MOU renewal discussions underway. TIF also participated in the World Bank's Africa Environmental Health and Pollution Management event in November, hosting a panel and presenting on ASGM. Additionally, TIF concluded its NRDC consultancy for the planetGOLD programme with a webinar series. This included a November access to finance webinar where TIF showcased its Kenya lease-to-purchase and Tanzania loans programs.

#### Digital Innovation

As a follow-up to funding received from the Fashion Pact towards the building of a digital platform to host TIF's mine assessment and investment processes, 2024 saw the birth of Kustawi. By Q4 of 2024, Kustawi development had completed up to phase two of development. This included the digitization of existing mine engagement processes

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### BRUNA partnership on mercury-free mining

With the donation received from BRUNA the Label to support efforts to promote mercury-free gold processing at Osiri Matanda, the programme hired an intern in Q2 of 2024 for a 10month period. The objective of the programme was to deliver the upgrade of an ASM processing zone into a mercury-free zone and to promote women's involvement and leadership in mining. This programme is projected to come to completion in Q1 of 2025.

#### Financial Review Gold

Funding won by TIF in Q4 of 2023 to continue TIFs the Lake Victoria Gold Region Programmes (LVGP), through funding from the EPRM for work in Kenya, and through strategic partner Solidaridad, to continue work in Tanzania, funded by the RVO was put to good use in 2024. The equipment leasing programme in Kenya grew, with total investments of USD 136k deployed by the end 2023, growing to USD 171k by end of 2024. In Tanzania the loans for equipment programme were implemented as a result of additional funding committed and received from Genesis Charitable trust and Livelihood Impact Fund. The plans put in place to progress ease of loans disbursement in Tanzania via NBC partnership will provide a major boost to the loan programme in Tanzania, as the first milestone of six (6) AMPs is expected to unlock USD 600,000 in further funding towards the programme.

#### **Financial Review**

The financial review covers the annual period of the group to 31 December 2024. The total income for the group was £1,889,977 (reflecting a 29% increase from 2023: £1,460,581), which includes £1,485,208 (2023: £1,434,928) income from education activities, and £27,620 (2023: £25,653) income from equipment leasing and £377,149 (2023: £nil) income from grants and donated services.

Total expenditure for the group for the year was £1,702,093 (rose modestly from 2023: £1,521,867), which includes costs of education activities of £1,539,727 (2023: £1,477,457) and expenditure on equipment leasing of £162,366 (2023: £44,410). The net income for the year was £163,289 (2023 net expenditure: £76,321) after a loss on foreign exchange of £24,595 (2023: £15,035).

At the balance sheet date, the total funds for the group were £281,010 (2023: £117,720), which were made up of general unrestricted funds totalling £55,020 in deficit (2023: £88,711 in deficit) and restricted funds totalling £336,029 (2023: £206,431).

This improvement demonstrates TIF's growing financial stability, effective cost management, and the success of ongoing diversification in funding streams.

#### Reserves policy

Our reserves policy aims to ensure our work is protected from the risk of disruption at short notice due to a lack of funds, whilst at the same time ensuring we do not retain income for longer than required.

Policy owner: Chief Finance Officer

Audience: All

Legislation: and regulation Charity Commission guidance 'Charities reserves: building resilience' (CC19) Approved by: Board of Trustees

Last update: Oct 2023

Next review: Oct 2024

1 This policy sets out our need for the financial reserves.

2 Reserves Our reserves policy aims to ensure our work is protected from the risk of disruption at short notice due to a lack of funds, whilst at the same time ensuring we do not retain income for longer than required. The trustees have determined that the Charity needs unrestricted reserves to provide adequate working capital to protect against unbudgeted costs and ensure the delivery of our programmes. It is determined that The Impact Facility should hold sufficient accumulated unrestricted funds to cover unbudgeted fluctuations in income and/or expenditure, equivalent to three months of budgeted resource. The actual level of unrestricted reserves is less than our policy. The trustees are budgeting for a more balanced unrestricted reserves in 2025 and plan to meet our policy by 2026.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 3 Financial impact of risk

3.1 To ensure that there is no significant disruption to our charitable activities, holding appropriate reserves will enable the organisation to respond to any unforeseen reduction in income (for example when income does not reach expected levels); or additional expenditure (for example if projects overrun, or unplanned events occur).

3.2 A detailed review of the financial risks we face is monitored on an ongoing basis, and our assessments on the possible financial impact of those risks have been incorporated into the reserves requirement we have calculated.

#### 4 Working capital

4.1 Free reserves include both cash, which are immediately available, and other working capital balances. Working capital represents a significant element of our reserves, but not all of these balances are immediately available. For example, it takes on average 55 days to collect cash from trade debtors.

#### 5 Commitments and long-term plans

5.1 Commitments and long-term plans not already reflected in plans and budgets are also evaluated on an ongoing basis. We do not believe there is any need to make further provision for such items.

#### 6 Reserves

6.1 Based on the above, it is determined that The Impact Facility should hold sufficient accumulated unrestricted funds to cover unbudgeted fluctuations in income and/or expenditure, equivalent to three months of resources at budgeted levels.

#### 7 Responsibilities

7.1 The Board of Trustees are responsible for ensuring that we manage our resources responsibly, and that we act in the best interests of the organisation and the people we serve. The Board has responsibility for approving and monitoring the implementation of this policy.

7.2 The Senior Management Team is responsible for providing clear and focused leadership of the organisation, and to ensure our financial stability.

7.3 The Chief Finance Officer is the policy owner and is responsible for managing our reserves, ensuring this policy is reviewed in line with corporate requirements.

#### 8 Laws and regulations

8.1 As a registered charity, we are required to meet relevant legal and regulatory requirements. We have a duty to apply charitable funds within a reasonable period of time for the benefit of the people we serve.

8.2 This policy sets out the framework we have in place to confirm the level of reserves we have determined is appropriate for our organisation and draws upon guidance such as the Charity Commission's CC19.

#### 9 Monitoring and compliance

9.1 Reserves levels and forecasts will be monitored as part of monthly financial reporting, with regular reports provided to the Board of Trustees and the Senior Management Team.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2024**

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### Future Plans

In 2025 The Impact Facility plans to continue and grow its work with gold and cobalt mining communities in East and Central Africa. In particular we seek to expand our innovative gold financing programme in Tanzania and to grow the membership, and further external funding for the Fair Cobalt Alliance, and thereby increase the impact on the ground.

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

### Structure, Governance and Management

The trustees who have served the charity during the year to 31 December 2024 are:

Ms M Lempers (Resigned 30 June 2024)  
Mr S Lowe  
Dr A Steward Carter  
Ms S Hope  
Ms B Vissers

#### Structure:

The Impact Facility has been established as a Charitable Incorporated Organisation (CIO) registered under the laws of England and Wales. The Impact Facility's Registered Office is located in Avening Park, Tetbury, Gloucestershire England.

The Impact Facility has established a fully owned trading subsidiary, Impact Capital (ICL), registered as a company limited by shares in the UK. This trading subsidiary is able to receive third party investments and to facilitate investments into mining communities.

The Impact Facility legal advisors are Virginia Henley of Harrison Clark Rickerbys Limited, Oliver Hunt of the Charity & Social Enterprise Department of Bates Wells Braithwaite, Oliver Rochman and Dom Rothbarth of Morrison and Foerster and HCR Hewitsons. Bespoke Accountants provides accounting services. The Impact Facility holds its bank account with Lloyds bank. The financial year of The Impact Facility is 1st January to 31st December.

#### Governance:

The Impact Facility is governed by the Impact Facility Constitution. In line with UK Government requirements for CIOs The Impact Facility has a constitution including provisions to ensure The Impact Facility complies with the UK Charities 2011 Act and the General Regulations. In line with UK government guidelines for CIO's The Impact Facility follows its Charitable purpose. This includes the commitment to promote sustainable development defined as "development which meets the needs of the present without compromising the ability of future generations to meet their own needs".

#### Management:

The Impact Facility Trustees have appointed a CEO to oversee the day-to-day management of the CIO. This CEO is accountable to the Trustees for the delivery of the charity's mission through its programme services together with fundraising, financial leadership and managing the staff. The CEO is supported by a Senior Management team, consisting of the Chief Financial Officer and the Director of Innovation and Partnerships.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2024**

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### Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 group and of the incoming resources and application of resources of the group for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.

*Steven Lowe*  
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Mr S Lowe  
**Trustee**

Date: 14 Jan 2026  
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# THE IMPACT FACILITY

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE IMPACT FACILITY

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### Opinion

We have audited the financial statements of The Impact Facility (the 'charity') and its subsidiary (the 'group') for the year ended 31 December 2023 which comprise the group statement of financial activities, the charity statement of financial activities, the group balance sheet, the charity balance sheet, the group statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, 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 Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group 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 group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# THE IMPACT FACILITY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE IMPACT FACILITY

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### Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees 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 group'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 cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

1. At the planning stage of the audit we gain an understanding of the laws and regulations which apply to the charity and how the management seek to comply with those laws regulations. This helps us to plan appropriate risk assessments.
2. During the audit we focused on relevant risk areas and review the compliance with the laws and regulations by making relevant enquiries and undertaking corroboration, for example by reviewing Board Minutes and other documentation.
3. We assessed the risk of material misstatement in the financial statements including as a result of fraud and undertook procedures including:
  - a. Reviewing the controls set in place by management;
  - b. Making enquiries of management as to whether they consider fraud or other irregularity may have taken place, or where such opportunity might exist;
  - c. Challenging management assumptions with regard to accounting estimates; and
  - d. Identifying and testing journal entries, particularly those which appear to be unusual by size or nature.

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

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

### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

# THE IMPACT FACILITY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE IMPACT FACILITY

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*Shaw Gibbs (Audit) Limited*

**Shaw Gibbs (Audit) Limited**  
**Statutory Auditor**

14 Jan 2026

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264 Banbury Road  
Oxford  
OX2 7DY

Shaw Gibbs (Audit) Limited is eligible for appointment as auditor of the group by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# THE IMPACT FACILITY

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
		2024	2024	2024	2023	2023	2023
Notes		£	£	£	£	£	£
<b>Income from:</b>							
Donations and legacies	3	17,087	360,062	377,149	-	-	-
Charitable activities	5	346,260	1,166,568	1,512,828	176,650	1,283,931	1,460,581
<b>Total income</b>		<b>363,347</b>	<b>1,526,630</b>	<b>1,889,977</b>	<b>176,650</b>	<b>1,283,931</b>	<b>1,460,581</b>
<b>Expenditure on:</b>							
Charitable activities	6	298,579	1,403,514	1,702,093	205,697	1,316,170	1,521,867
<b>Net income/(expenditure)</b>		<b>64,768</b>	<b>123,116</b>	<b>187,884</b>	<b>(29,047)</b>	<b>(32,239)</b>	<b>(61,286)</b>
<b>Other recognised gains and losses:</b>							
Other gains/(losses)	10	(31,077)	6,482	(24,595)	(11,967)	(3,068)	(15,035)
<b>Net movement in funds</b>		<b>33,691</b>	<b>129,598</b>	<b>163,289</b>	<b>(41,014)</b>	<b>(35,307)</b>	<b>(76,321)</b>
<b>Reconciliation of funds:</b>							
Fund balances at 1 January 2024		(88,711)	206,431	117,720	(47,697)	241,738	194,041
<b>Fund balances at 31 December 2024</b>		<b>(55,020)</b>	<b>336,029</b>	<b>281,010</b>	<b>(88,711)</b>	<b>206,431</b>	<b>117,720</b>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# THE IMPACT FACILITY

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	Notes	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £
<b>Income from:</b>							
Donations and legacies	4	17,087	196,058	213,145	-	-	-
Charitable activities	5	346,260	1,166,568	1,512,828	176,650	1,283,931	1,460,581
<b>Total income</b>		<u>363,347</u>	<u>1,362,626</u>	<u>1,725,973</u>	<u>176,650</u>	<u>1,283,931</u>	<u>1,460,581</u>
<b>Expenditure on:</b>							
Charitable activities	7	298,579	1,268,654	1,567,233	205,697	1,310,162	1,515,859
<b>Net income/(expenditure) for the year/</b>		<u>64,768</u>	<u>93,972</u>	<u>158,740</u>	<u>(29,047)</u>	<u>(26,231)</u>	<u>(55,278)</u>
<b>Other recognised gains and losses</b>							
Other gains or losses	11	(31,077)	(512)	(31,589)	(11,967)	(3,068)	(15,035)
<b>Net movement in funds</b>		<u>33,691</u>	<u>93,460</u>	<u>127,151</u>	<u>(41,014)</u>	<u>(29,299)</u>	<u>(70,313)</u>
Fund balances at 1 January 2024		<u>(88,711)</u>	<u>215,420</u>	<u>126,709</u>	<u>(47,697)</u>	<u>244,719</u>	<u>197,022</u>
<b>Fund balances at 31 December 2024</b>		<u><u>(55,020)</u></u>	<u><u>308,880</u></u>	<u><u>253,860</u></u>	<u><u>(88,711)</u></u>	<u><u>215,420</u></u>	<u><u>126,709</u></u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# THE IMPACT FACILITY

## CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2024

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	Notes	2024		2023	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	17		7,412		12,084
<b>Current assets</b>					
Debtors	20	265,477		294,225	
Cash at bank and in hand		674,894		285,684	
		940,371		579,909	
<b>Creditors: amounts falling due within one year</b>	25	(467,060)		389,162	
Net current assets			473,311		190,747
<b>Total assets less current liabilities</b>			480,723		202,831
<b>Creditors: amounts falling due after more than one year</b>	27		(199,714)		(85,111)
<b>Net assets</b>			281,009		117,720
<b>The funds of the group</b>					
Restricted funds	31		336,029		206,431
Unrestricted funds	29		(55,020)		(88,711)
			281,009		117,720

The financial statements were approved by the trustees on 14 Jan 2026

*Steven Lowe*  
.....

Mr S Lowe  
Trustee

# THE IMPACT FACILITY

## CHARITY BALANCE SHEET

AS AT 31 DECEMBER 2024

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	Notes	2024 £	£	2023 £	£
<b>Fixed assets</b>					
Tangible assets	17		7,412		12,084
Investments	18		1		1
			<u>7,413</u>		<u>12,085</u>
<b>Current assets</b>					
Debtors	21	240,645		294,225	
Cash at bank and in hand		540,022		285,584	
		<u>780,667</u>		<u>579,809</u>	
<b>Creditors: amounts falling due within one year</b>	26	(534,220)		(465,185)	
Net current assets			<u>246,447</u>		<u>114,624</u>
<b>Total assets less current liabilities</b>			<u>253,860</u>		<u>126,709</u>
<b>Creditors: amounts falling due after more than one year</b>			-		-
<b>Net assets</b>			<u>253,860</u>		<u>126,709</u>
<b>Income funds</b>					
Restricted funds	32		308,880		215,420
Unrestricted funds	30		(55,020)		(88,711)
			<u>253,860</u>		<u>126,709</u>

14 Jan 2026

The financial statements were approved by the Trustees on .....

*Steven Lowe*  
.....

Mr S Lowe  
Trustee

# THE IMPACT FACILITY

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

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	Notes	2024 £	£	2023 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	38		404,484		40,845
<b>Investing activities</b>					
Purchase of tangible fixed assets		(3,761)		(848)	
Proceeds from/ (payment of) loans receivable		(673)		458	
<b>Net cash used in investing activities</b>			(4,434)		(390)
<b>Financing activities</b>					
Purchase of derivatives		(10,840)		-	
<b>Net cash used in financing activities</b>			(10,840)		-
<b>Net increase in cash and cash equivalents</b>			389,210		40,455
Cash and cash equivalents at beginning of year			285,684		245,229
<b>Cash and cash equivalents at end of year</b>			674,894		285,684

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# THE IMPACT FACILITY

## CHARITY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

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	Notes	2024 £	£	2023 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	39		269,712		40,767
<b>Investing activities</b>					
Purchase of tangible fixed assets		(3,761)		(848)	
Proceeds from/ (payment of) loans receivable		(673)		457	
<b>Net cash used in investing activities</b>			(4,434)		(391)
<b>Financing activities</b>					
Purchase of derivatives		(10,840)		-	
<b>Net cash used in financing activities</b>			(10,840)		-
<b>Net increase in cash and cash equivalents</b>			254,438		40,376
Cash and cash equivalents at beginning of year			285,584		245,208
<b>Cash and cash equivalents at end of year</b>			540,022		285,584

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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### 1 Accounting policies

#### Charity information

The Impact Facility is a charitable incorporated organisation registered in England and Wales. The registered office is Avening Park, West End, Avening, Tetbury, GL8 8NE.

#### 1.1 Basis of preparation

The financial statements have been prepared in accordance with the group's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The group is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

The financial statements have been prepared on a going concern basis. Cash flow forecasts have been prepared for a period of at least twelve months from the date of approval of the financial statements. These forecasts consider and analyse any risks that might affect the charity's resources or ability to continue operations. The forecasts take into consideration the challenging economic environment and its potential impact on income and expenditure.

We consider it possible to offset any potential income shortfalls with a reduction in expenditure. Our reserves policy states that we should hold sufficient reserves to ensure that our work is protected from the risk of disruption at short notice due to a lack of funds, whilst at the same time ensuring that we do not retain income for longer than required.

Our unrestricted reserves are currently in deficit, but continuing support from TDi Sustainability and confidence in our fundraising, will reduce this deficit and are committed to rebuilding our reserves to a level that allows us to invest for the future growth and development of the organisation.

We monitor performance, cashflow, and forecasts on a regular basis and manage our finances according to the analysis of this position. The trustees have therefore concluded there is a reasonable expectation that the Charity has adequate resources to continue in operation for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 Income

Income is recognised when the group is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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### 1 Accounting policies (Continued)

Cash donations are recognised on receipt. Other donations are recognised once the group has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the group has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grants are recognised once the charity has been notified of the grant, unless performance conditions require deferral of the amount.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is included in the SOFA on an accrual basis.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	3 years straight line
Motor vehicles	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Impairment of fixed assets

At each reporting end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

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### 1 Accounting policies (Continued)

#### 1.9 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

#### 1.10 Derivatives

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in income/(expenditure) for the year, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting date. The resulting gain or loss is recognised in net income/(expenditure) immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 1 Accounting policies (Continued)

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.13 Leases

Where the Charity acts as a lessor, amounts due from lessees under finance leases are recognised as debtors at the present value, where material on leases in excess of 2 years duration, of the future minimum lease payments plus any unguaranteed residual value (the "net investment in the lease") plus incremental costs of negotiating and arranging the lease. Finance income from assets leased under a finance lease is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment in the lease.

#### 1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Critical accounting estimates and judgements

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

### 3 Income from donations and legacies - Consolidated

	Unrestricted funds 31 December 2024 £	Restricted funds 31 December 2024 £	Total funds 31 December 2024 £	Unrestricted funds 31 December 2023 £	Restricted funds 31 December 2023 £	Total funds 31 December 2023 £
Grants	17,087	352,177	369,264	-	-	-
Donated goods and services	-	7,885	7,885	-	-	-
	<u>17,087</u>	<u>360,062</u>	<u>377,149</u>	<u>-</u>	<u>-</u>	<u>-</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 4 Income from donations and legacies - Charity

	Unrestricted funds 31 December 2024 £	Restricted funds 31 December 2024 £	Total funds 31 December 2024 £	Unrestricted funds 31 December 2023 £	Restricted funds 31 December 2023 £	Total funds 31 December 2023 £
Grants	17,087	188,173	205,260	-	-	-
Donated goods and services	-	7,885	7,885	-	-	-
	<u>17,087</u>	<u>196,058</u>	<u>213,145</u>	<u>-</u>	<u>-</u>	<u>-</u>

### 5 Income from charitable activities - Charity and consolidated

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
<b>Education</b>						
Consultancy	346,260	1,138,948	1,485,208	176,650	1,258,278	1,434,928
<b>Equipment leasing</b>						
Consultancy	-	-	-	-	18,648	18,648
Lease interest	-	27,620	27,620	-	7,005	7,005
	<u>346,260</u>	<u>1,166,568</u>	<u>1,512,828</u>	<u>176,650</u>	<u>1,283,931</u>	<u>1,460,581</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 6 Expenditure on charitable activities - Consolidated

	Education	Equipment leasing	Total	Education	Equipment leasing	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
<b>Direct costs</b>						
Staff costs	404,085	-	404,085	342,402	-	342,402
Depreciation and impairment	8,433	22,059	30,492	11,192	7,851	19,043
Consultancy	484,443	-	484,443	612,360	18,505	630,865
Travel and subsistence	108,374	-	108,374	86,046	-	86,046
Insurance	-	-	-	-	2,632	2,632
Interest payable	3,419	-	3,419	-	-	-
Project equipment	37,300	-	37,300	9,859	-	9,859
Website and marketing	24,093	-	24,093	43,916	234	44,150
Education and training	3,675	-	3,675	3,525	-	3,525
General expenses	33,023	121,749	154,772	42,819	4,768	47,587
Legal expenses	22,374	-	22,374	18,139	-	18,139
Premises expenses	27,733	-	27,733	29,133	-	29,133
Payroll services	64,400	-	64,400	23,470	-	23,470
	<u>1,221,352</u>	<u>143,808</u>	<u>1,365,160</u>	<u>1,222,861</u>	<u>33,990</u>	<u>1,256,851</u>
<b>Share of support and governance costs (see note 8)</b>						
Support	263,944	4,701	268,645	183,541	6,000	189,541
Governance	54,431	13,857	68,288	71,055	4,420	75,475
	<u>1,539,727</u>	<u>162,366</u>	<u>1,702,093</u>	<u>1,477,457</u>	<u>44,410</u>	<u>1,521,867</u>
<b>Analysis by fund</b>						
Unrestricted funds	298,579	-	298,579	205,697	-	205,697
Restricted funds	1,241,148	162,366	1,403,514	1,271,760	44,410	1,316,170
	<u>1,539,727</u>	<u>162,366</u>	<u>1,702,093</u>	<u>1,477,457</u>	<u>44,410</u>	<u>1,521,867</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 7 Expenditure on charitable activities - Charity

	Education	Equipment leasing	Total	Education	Equipment leasing	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
<b>Direct costs</b>						
Staff costs	404,085	-	404,085	342,402	-	342,402
Depreciation and impairment	8,433	22,059	30,492	11,192	7,851	19,043
Consultancy	484,443	-	484,443	612,360	18,505	630,865
Travel and subsistence	108,374	-	108,374	86,046	-	86,046
Insurance	-	-	-	-	2,632	2,632
Interest payable	3,419	5,062	8,481	-	4,412	4,412
Project equipment	37,300	-	37,300	9,859	-	9,859
Website and marketing	24,093	-	24,093	43,916	234	44,150
Education and training	3,675	-	3,675	3,525	-	3,525
General expenses	33,023	385	33,408	42,819	4,768	47,587
Legal expenses	22,374	-	22,374	18,139	-	18,139
Premises expenses	27,733	-	27,733	29,133	-	29,133
Payroll services	64,400	-	64,400	23,470	-	23,470
	<u>1,221,352</u>	<u>27,506</u>	<u>1,248,858</u>	<u>1,222,861</u>	<u>38,402</u>	<u>1,261,263</u>
<b>Share of support and governance costs (see note 9)</b>						
Support	263,944	-	263,944	183,541	-	183,541
Governance	54,431	-	54,431	71,055	-	71,055
	<u>1,539,727</u>	<u>27,506</u>	<u>1,567,233</u>	<u>1,477,457</u>	<u>38,402</u>	<u>1,515,859</u>
<b>Analysis by fund</b>						
Unrestricted funds	298,579	-	298,579	205,697	-	205,697
Restricted funds	1,241,148	27,506	1,268,654	1,271,760	38,402	1,310,162
	<u>1,539,727</u>	<u>27,506</u>	<u>1,567,233</u>	<u>1,477,457</u>	<u>38,402</u>	<u>1,515,859</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 8 Support costs allocated to activities - Consolidated

	2024 £	2023 £
Staff costs	134,566	45,953
Website development	-	1,476
IT software and consumables	-	170
Insurance	7,301	-
Freelance workers	93,080	123,494
Payroll services	15,687	3,341
General expenses	18,011	13,528
Governance costs	68,288	77,054
	<u>336,933</u>	<u>265,016</u>
<b>Analysed between:</b>		
Education	318,375	254,596
Equipment leasing	18,558	10,420
	<u>336,933</u>	<u>265,016</u>

	2024 £	2023 £
<b>Governance costs comprise:</b>		
Audit fees	17,580	16,500
Accountancy	39,420	52,248
Legal and professional	11,288	8,306
	<u>68,288</u>	<u>77,054</u>

### 9 Support costs allocated to activities

	2024 £	2023 £
Staff costs	134,566	45,953
Website development	-	1,476
IT software and consumables	-	170
Insurance	7,301	-
Freelance workers	93,080	123,494
Payroll services	15,687	3,341
General expenses	13,310	9,108
Governance costs	54,431	71,054
	<u>318,375</u>	<u>254,596</u>
<b>Analysed between:</b>		
Education	318,375	254,596

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 9 Support costs allocated to activities (Continued)

	2024	2023
Governance costs comprise:	£	£
Audit fees	17,580	16,500
Accountancy	31,140	46,248
Legal and professional	5,711	8,306
	54,431	71,054
	54,431	71,054

### 10 Other gains and losses - Consolidated

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
Gains/(losses) upon:	£	£	£	£	£	£
Foreign exchange	31,077	(6,482)	24,595	11,967	3,068	15,035
	31,077	(6,482)	24,595	11,967	3,068	15,035
	31,077	(6,482)	24,595	11,967	3,068	15,035

### 11 Other gains and losses - Charity

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
Gains/(losses) upon:	£	£	£	£	£	£
Foreign exchange	31,077	512	31,589	11,967	3,068	15,035
	31,077	512	31,589	11,967	3,068	15,035
	31,077	512	31,589	11,967	3,068	15,035

### 12 Trustees

During the year no trustees received remuneration (2023: £Nil) for employment, and no trustees received pension benefit or employers national insurance (2023: £Nil). There were also no expenses reimbursed (2023: £Nil) to trustees.

### 13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 14 Auditor's remuneration

Fees payable to the charity's auditor and associates:	<b>2024</b>	<b>2023</b>
	£	£
<b>For audit services</b>		
Audit of the financial statements of the charity	17,580	16,500

### 15 Employees - Charity and consolidated

The average monthly number of employees during the year was:

	<b>2024</b>	<b>2023</b>
	Number	Number
Employees	16	12

<b>Employment costs</b>	<b>2024</b>	<b>2023</b>
	£	£
Wages and salaries	496,114	347,053
Social security costs	36,037	38,897
Other pension costs	6,500	2,405
	538,651	388,355

There were no employees whose annual remuneration was more than £60,000 (2023: None).

### 16 Financial instruments

	<b>2024</b>	<b>2023</b>
	£	£
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	10,840	-

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 17 Tangible fixed assets - Charity and consolidated

	Computers £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 January 2024	15,439	20,425	35,864
Additions	3,761	-	3,761
At 31 December 2024	19,200	20,425	39,625
<b>Depreciation and impairment</b>			
At 1 January 2024	10,630	13,150	23,780
Depreciation charged in the year	4,068	4,365	8,433
At 31 December 2024	14,698	17,515	32,213
<b>Carrying amount</b>			
At 31 December 2024	4,502	2,910	7,412
At 31 December 2023	4,809	7,275	12,084

### 18 Fixed asset investments - Charity

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 January 2024 & 31 December 2024	1
<b>Carrying amount</b>	
At 31 December 2024	1
At 31 December 2023	1

### 19 Subsidiaries

Details of the group's subsidiaries at 31 December 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Impact Capital Ltd	Avening Park West End, Avening Tetbury, England, GL8 8NE	Fair trading company	Ordinary	100.00	

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 20 Debtors - Consolidated

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	153,614	212,900
Derivative financial instruments	10,840	-
Finance leases receivable	41,618	40,385
Other debtors	10,932	10,228
Prepayments and accrued income	-	2,677
	<u>217,004</u>	<u>266,190</u>

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due after more than one year:</b>		
Other debtors	48,473	28,035
	<u>48,473</u>	<u>28,035</u>
<b>Total debtors</b>	<u>265,477</u>	<u>294,225</u>

### 21 Debtors - Charity

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	159,192	212,900
Derivative financial instruments	10,840	-
Finance leases receivable	28,433	40,385
Other debtors	10,932	10,228
Prepayments and accrued income	-	2,677
	<u>209,397</u>	<u>266,190</u>

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due after more than one year:</b>		
Other debtors	31,248	28,035
	<u>31,248</u>	<u>28,035</u>
<b>Total debtors</b>	<u>240,645</u>	<u>294,225</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 22 Finance lease receivables - Consolidated

	2024	2023
	£	£
Gross amounts receivable under finance leases:		
Within one year	41,618	40,385
Within two and five years	48,473	28,035
	<u>90,091</u>	<u>68,420</u>
Present value of minimum lease payments receivable	<u>90,091</u>	<u>68,420</u>
The present value is receivable as follows:		
Within one year	<u>41,618</u>	<u>40,385</u>

#### Analysis of finance leases

Finance lease receivables are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2024	2023
	£	£
Current assets	<u>41,618</u>	<u>40,385</u>

The group enters into financial leasing arrangements for mining equipment. The average term of finance leases entered into is between 1-2 years.

### 23 Finance lease receivables - Charity

	2024	2023
	£	£
Gross amounts receivable under finance leases:		
Within one year	28,433	40,385
Within two and five years	31,248	28,035
	<u>59,681</u>	<u>68,420</u>
Present value of minimum lease payments receivable	<u>59,681</u>	<u>68,420</u>
The present value is receivable as follows:		
Within one year	<u>28,433</u>	<u>40,385</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 23 Finance lease receivables - Charity

(Continued)

#### Analysis of finance leases

Finance lease receivables are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2024 £	2023 £
Current assets	28,433	40,385
	<u>28,433</u>	<u>40,385</u>

The group enters into financial leasing arrangements for mining equipment. The average term of finance leases entered into is between 1-2 years.

### 24 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	6,500	2,405
	<u>6,500</u>	<u>2,405</u>

The group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 25 Creditors: amounts falling due within one year - Consolidated

	Notes	2024 £	2023 £
Other taxation and social security		10,420	5,904
Deferred income	28	63,558	-
Trade creditors		147,500	121,918
Other creditors		8,599	5,060
Accruals		236,983	256,280
		<u>467,060</u>	<u>389,162</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 26 Creditors: amounts falling due within one year - Charity

	Notes	2024 £	2023 £
Other taxation and social security		9,977	5,904
Deferred income	28	63,558	-
Trade creditors		136,228	119,518
Amounts owed to subsidiary undertakings		80,293	85,024
Other creditors		8,599	5,060
Accruals		235,565	249,679
		<u>534,220</u>	<u>465,185</u>

### 27 Creditors: amounts falling due after more than one year - Consolidated

	2024 £	2023 £
Other creditors	199,714	85,111
	<u>199,714</u>	<u>85,111</u>

### 28 Deferred income - Charity and consolidated

	2024 £	2023 £
Other deferred income	63,558	-
	<u>63,558</u>	<u>-</u>

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	63,558	-
	<u>63,558</u>	<u>-</u>
Movements in the year:		
Deferred income at 1 January 2024	-	-
Resources deferred in the year	63,558	-
	<u>63,558</u>	<u>-</u>
Deferred income at 31 December 2024	<u>63,558</u>	<u>-</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 29 Unrestricted funds - Consolidated

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2024	Incoming resources	Resources expended	Gains and losses	At 31 December 2024
	£	£	£	£	£
General funds	(88,711)	363,347	(298,579)	(31,077)	(55,020)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Previous year:</b>	<b>At 1 January 2023</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Gains and losses</b>	<b>At 31 December 2023</b>
	£	£	£	£	£
General funds	(47,697)	176,650	(205,697)	(11,967)	(88,711)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 30 Unrestricted funds - Charity

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2024	Incoming resources	Resources expended	Gains and losses	At 31 December 2024
	£	£	£	£	£
General funds	(88,711)	363,347	(298,579)	(31,077)	(55,020)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Previous year:</b>	<b>At 1 January 2023</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Gains and losses</b>	<b>At 31 December 2023</b>
	£	£	£	£	£
General funds	(47,697)	176,650	(205,697)	(11,967)	(88,711)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

#### 31 Restricted funds - Consolidated

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2024	Incoming resources	Resources expended	Gains and losses	At 31 December 2024
	£	£	£	£	£
FCA	206,754	762,581	(712,166)	-	257,169
LME	10,930	240,883	(210,817)	-	40,996
Gold	16,072	233,704	(281,602)	-	(31,826)
TES	(27,325)	191,624	(162,366)	6,482	8,415
Jet Minerals	-	97,838	(36,562)	-	61,276
	<u>206,431</u>	<u>1,526,630</u>	<u>(1,403,514)</u>	<u>6,482</u>	<u>336,029</u>
<b>Previous year:</b>	<b>At 1 January 2023</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Gains and losses</b>	<b>At 31 December 2023</b>
	£	£	£	£	£
FCA	256,811	912,598	(962,655)	-	206,754
LME	(41,748)	71,217	(18,539)	-	10,930
Gold	33,044	274,463	(291,435)	-	16,072
TES	(6,369)	25,653	(43,541)	(3,068)	(27,325)
	<u>241,738</u>	<u>1,283,931</u>	<u>(1,316,170)</u>	<u>(3,068)</u>	<u>206,431</u>

#### 32 Restricted funds - Charity

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2024	Incoming resources	Resources expended	Gains and losses	At 31 December 2024
	£	£	£	£	£
FCA	206,754	762,581	(712,166)	-	257,169
LME	10,930	240,883	(210,817)	-	40,996
Gold	16,072	233,704	(281,602)	-	(31,826)
TES	(18,336)	27,620	(27,507)	(512)	(18,735)
Jet Minerals	-	97,838	(36,562)	-	61,276
	<u>215,420</u>	<u>1,362,626</u>	<u>(1,268,654)</u>	<u>(512)</u>	<u>308,880</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 32 Restricted funds - Charity (Continued)

Previous year:	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
FCA	256,811	912,598	(962,655)	-	206,754
LME	(41,748)	71,217	(18,539)	-	10,930
Gold	33,044	274,463	(291,435)	-	16,072
TES	(3,388)	25,653	(37,533)	(3,068)	(18,336)
	<u>244,719</u>	<u>1,283,931</u>	<u>(1,310,162)</u>	<u>(3,068)</u>	<u>215,420</u>

### 33 Analysis of net assets between funds - Consolidated

	Unrestricted funds	Restricted funds	Total
	2024 £	2024 £	2024 £
<b>Fund balances at 31 December 2024 are represented by:</b>			
Tangible assets	-	7,412	7,412
Current assets/(liabilities)	(55,020)	528,331	473,311
Long term liabilities	-	(199,714)	(199,714)
	<u>(55,020)</u>	<u>336,029</u>	<u>281,009</u>
	Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £
<b>Fund balances at 31 December 2023 are represented by:</b>			
Tangible assets	-	12,084	12,084
Current assets/(liabilities)	(3,600)	194,347	190,747
Long term liabilities	(85,111)	-	(85,111)
	<u>(88,711)</u>	<u>206,431</u>	<u>117,720</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 34 Analysis of net assets between funds - Charity

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023
	£	£	£	£	£
Fund balances at 31 December 2024 are represented by:					
Tangible assets	-	7,412	7,412	-	12,084
Investments	1	-	1	1	-
Current assets/(liabilities)	55,019	191,428	246,447	(88,712)	114,624
	<u>55,020</u>	<u>198,840</u>	<u>253,860</u>	<u>(88,711)</u>	<u>126,709</u>

### 35 Operating lease commitments - Charity and consolidated

#### Lessee

Lease payments are recognised as an expense in the year of £24,474 (2023: £24,192). At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	4,037	7,316
Between two and five years	-	696
	<u>4,037</u>	<u>8,012</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 36 Related party transactions

##### Income

This year, the charity has received charitable activities income of £154,069 (2023: £396,596) from Fairphone for a joint project. Fairphone is an organisation which has a common trustee with The Impact Facility. Included in trade debtors at the period end is £4,252 (2023: £nil) owed from Fairphone.

The charity received income of £18,129 (2023: £74,620) from TDi Sustainability which is the trading name of a company under the control of a Trustee of The Impact Facility. Included in trade debtors at the period end is £4,917 (2023: £13,138) owed from TDi Sustainability.

Charitable activities income of £42,839 (2023: £26,730) was received from Solidaridad Nederland which is one of The Impact Facility's project partners.

Included in other debtors on the charity balance sheet at the period end is £nil (2023: £100) owed by Impact Capital Ltd. A balance of £5,577 (2023: £nil) is included in trade debtors on the charity balance sheet at the period end which is owed by Impact Capital Ltd.

##### Expenditure

During the year TIF was invoiced £72,895 (2023: £151,230) for administrative services by TDi Sustainability, a company in which a trustee has a material interest. At the balance sheet date TDi is owed £98,641 (2023: £80,099) and this is included in trade creditors, and within other creditor is £1,253 (2023: £1,253).

Included in amounts due to subsidiaries at the year end is £80,293 (2023: £85,024) owed to Impact Capital Ltd.

#### 37 Analysis of changes in net funds

The group had no material debt during the year.

<b>38 Cash generated from operations - Consolidated</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Surplus/(deficit) for the year	187,884	(61,286)
Adjustments for:		
Foreign exchange differences	(24,595)	(15,035)
Depreciation and impairment of tangible fixed assets	8,432	11,192
Movements in working capital:		
Decrease in debtors	40,261	72,071
Increase in creditors	128,942	33,904
Increase in deferred income	63,558	-
<b>Cash generated from operations</b>	<b>404,484</b>	<b>40,845</b>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

(Continued)

<b>39 Cash generated from operations - Charity</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Surplus/(deficit) for the year	158,740	(55,278)
Adjustments for:		
Foreign exchange differences	(31,589)	(15,035)
Depreciation and impairment of tangible fixed assets	8,433	11,192
Movements in working capital:		
Decrease in debtors	65,094	72,072
Increase in creditors	5,476	27,816
Increase in deferred income	63,558	-
<b>Cash generated from operations</b>	<b>269,712</b>	<b>40,767</b>

**THE IMPACT FACILITY**

England & Wales - Charity number 1181077

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# Accounts

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Charity Registration No. 1181077

**THE IMPACT FACILITY**  
**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

# THE IMPACT FACILITY

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Dr A Carter PHD Mr S Lowe Ms B Visser Ms S Hope	(Appointed 15 February 2023) (Appointed 1 June 2023)
<b>Charity number</b>	1181077	
<b>Principal address</b>	Avening Park West End Tetbury Gloucestershire GL8 8NE	
<b>Auditor</b>	Shaw Gibbs (Audit) Limited 264 Banbury Road Oxford OX2 7DY	
<b>Bankers</b>	Lloyds Bank 13-14 Cornmarket Thame Oxon OX9 2BN	

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# THE IMPACT FACILITY

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# THE IMPACT FACILITY

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2023

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The Trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note to the financial statements and comply with the charity's trust deed, 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) (effective 1 January 2019)".

#### Objectives and activities

The Impact Facility exists for the public benefit regarding:

1. The promotion of sustainable development for the benefit of communities and landscapes surrounding mining communities in developing nations and countries in transition. The Impact Facility will contribute through:

a) the preservation, conservation and the protection of the environment and the prudent use of natural resources, with a particular focus on mined resources.

b) the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged mining communities, in developing nations and transitioning countries.

c) the enabling of sustainable means of achieving economic growth and regeneration.

In this context sustainable development is defined as, "development which meets the needs of the present without compromising the ability of future generations to meet their own needs".

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. For more information on the CIO see section 5.

#### Achievements and performance

Key achievements of The Impact Facility have revolved around two core initiatives: The Fair Cobalt Alliance (FCA) and programmes implemented to improve gold mining communities in the Lake Victoria region, known as the Lake Victoria 2030 Programme.

##### The Fair Cobalt Alliance

The Impact Facility is a co-founding member of the Fair Cobalt Alliance (FCA) and serves as the permanent secretariat of the multi-stakeholder alliance established in August 2020 to address complex developmental issues in artisanal cobalt production communities in the DRC, starting with the Kamilombe mine in the Kapata Community of Kolwezi, Lualaba province. The Alliance was founded by Fairphone, Signify, Glencore and The Impact Facility and has a total of 19 members, across the global cobalt supply chain.

The strategic areas that the Alliance focuses on are clustered around the following workstreams:

**Safe and fair working conditions:** To improve workers' health and safety as well as trade transparency and their terms of payment, we support the provision of adequate personal protective equipment (PPE), worker training, and transparent and fair buying practices at the trading stations.

**Child labour remediation and prevention:** The Alliance is working with local co-operatives and civil society to build a scalable child labour remediation and prevention system. Taking a child rights approach, we seek to promote school attendance and vocational training and job opportunities for youth.

**Economic resilience:** We invest in community programmes around the mine sites, designed to create and diversify sustainable livelihoods and accessible to all community members. Widespread poverty can only be addressed by fostering entrepreneurship and creating job opportunities in the community – outside the artisanal mining sector.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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Value Chain Participation: Any organisation operating as part of — or associated with — the global cobalt supply chain should consider how it might best contribute to solutions to the challenges involved in artisanal cobalt production. By taking a holistic approach, incorporating every stage of the supply chain, we can identify root causes and construct effective solutions to address the issues.

#### Governance

The Impact Facility manages the Fair Cobalt Alliance as a stand-alone initiative and ensures that all funding is allocated to projects approved and accounted for by the FCA Steering Committee. In 2023, the members of the Steering Committee included representatives from the Centre Arrupe pour la Recherche et la Formation (CARF), The Centre for Child Rights and Business, Tesla, Glencore, LG Energy Solution and Fairphone. The Steering Committee meets once every six weeks to provide strategic oversight of the work of the FCA.

Advisory Board: Launched in April 2022, the Advisory Board consists of 14 third-party advisors with relevant experience in the sector selected by the Secretariat in consultation with the Steering Committee. The Advisory Board's role is to provide non-binding advice to the Secretariat. The Board met twice in 2023, to provide input and perspective to the shaping of the FCA's strategic direction, first in June and the second time in November.

#### 2023 new member

Gore Street Capital, an experienced renewable energy and private equity investment manager based in the United Kingdom, joined the Fair Cobalt Alliance in 2023.

#### The Fair Cobalt Alliance work and achievements in 2023

Working with a budget of USD 1.85 million in 2023 raised through membership contributions and seed funding from the Dutch government, the FCA was able to implement a number of on-the-ground interventions in 2023 across various workstreams, largely categorised into achieving tangible impact on mining communities and creating an enabling environment.

#### Achieving tangible impact on mining communities

Several workstreams exist under this over-arching theme which focus on making improvements to support the artisanal mining community in the Kapata Community, the area surrounding the Kamilombe mine site where the Fair Cobalt Alliance has an agreement with the cooperative organisation Coopérative Minière pour le Développement Social (CMDS) to facilitate safe and dignified working conditions;

Legalisation Support: To facilitate more targeted, structural investment into the artisanal mine site Kamilombe, it is critical to formalize the mine site. To support the goal of legal operations, the Alliance allocated a significant amount of resources to support the CMDS in its efforts to achieve full legal compliance in accordance with relevant local and national regulations, with the hope to be able to develop a legalisation process that could serve as a blueprint for legitimate artisanal mine operators to follow.

Following a tender process, the Alliance and CMDS contracted RMAC Global and Cabinet Mbuyu, to aid the legalisation process for Kamilombe. Legal and mining experts, the selected consultants were able to help CMDS navigate the complexities of the legal process and mediate discussion with Kamilombe's concession holder Gecamines. To identify the most suitable path forward for CMDS, the consultants engaged in extensive dialogue with a wide range of stakeholders, including civil society representatives, cooperatives, provincial and national government officials, Entreprise Générale du Cobalt (EGC) and industrial actors, to figure out a way forward. The outcome of these consultations yielded two potential legalisation solutions for Kamilombe:

*Amodiation or Lease:* Through research and discussions with the Mining Cadastre, a technical avenue emerged. The Mining Code allows for ASM cooperatives to operate under a small-scale mining exploitation permit (PEPM in French) if endorsed by the permit holder. Additionally, holders of industrial exploitation permits (PE in French) can convert portions of their permits into PEPMs, contingent upon feasibility studies and environmental and social impact assessments conducted by accredited consultants. This option, confirmed by the Mining Registry (CAMI), offers a viable path forward, although it necessitates agreement from the permit holder Gecamines.

Ministerial Agreement: The second option involves a longer process, entailing a Governmental Decree. This decree would empower the Minister of Mines to authorise the establishment of artisanal cobalt mining zones (ZEA - Zone d'Exploitation Artisanale) within existing concessions. While this option provides more enduring security for miners, the procedural timeline remains indefinite.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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This signifies a crucial step towards formalising mining operations at Kamilombe, ensuring legality, and fostering sustainable practices that benefit all stakeholders involved. Using the insights from the legal advice provided by RMAC and Cabinet Mbuyu, the FCA will continue to support CMDS in their legalisation efforts, advocating for the formalisation of mining activities at Kamilombe. By fostering continued collaboration and consensus-building among stakeholders, we are hopeful in our ability to advance towards the legalisation of Kamilombe in a manner that is equitable, transparent, and beneficial for all stakeholders.

Enabling safe and dignified working conditions: Working in close collaboration with CMDS, the Fair Cobalt Alliance was able to facilitate several interventions, many of which had been informed by the expert feedback from the Occupational Health and Safety (OHS) Committee comprising representatives from neighbouring industrial miner Kamoto Copper Company (KCC) and Service d'Assistance et d'Encadrement de l'Exploitation Minière Artisanale et à Petite Échelle (SAEMAPE), the government agency tasked with regulating and overseeing artisanal mining activities. To socialise a culture of safety at the mine site, the Alliance;

- Facilitated 22 weekly toolbox trainings for underground workers, led by a group of 100 Safety Captains trained by the FCA, training approximately 400 miners per week, covering topics such as the dangers of dust, rainwater management, insulations and working with electricity, fatigue management, and safe manual hauling of ore.
- Erected 10 safety billboards and 11 banners across the mine site with key operations health and safety (OHS) messaging.
- Organised three quarterly theatrical shows to raise awareness and educate the Kamilombe mining community on OHS.
- Broadcasted 60 jingles with safety messaging via radio and television across different stations in Lualaba province.

In addition to the OHS campaign, the FCA executed a number of physical interventions designed to increase worker safety, including:

- Provided corrugated iron sheets needed to roof 150 mine tunnel openings at Kamilombe to enhance rainwater management and prevent flooding. By the end of 2023, the first 4 tunnels had successfully been roofed.
- Supplied personal protective equipment (PPE) to cooperative members, women washers, depot workers and site cleaning agents. More specifically:
  - 217 washers enjoy access to appropriate PPE, 100 through rental facility, 117 bought their boots.
  - 205 members of CMDS have each received a pair of safety boots.
  - 17 site cleaners have received a pair of rubber boots each and two pairs of PVC gloves for use.
  - 846 pairs of leather gloves, 846 glasses and 2,115 pairs of nose muffs have been donated by the FCA to the depot workers at Kamilombe.
  - Provided 50 trash bins across the mine site to maintain site cleanliness.
- Provided a card printer to CMDS to enable the resumption of issuing identity cards to the diggers, women washers and traders under the cooperative.

Child labour remediation (CLR): A new initiative called the 'The Hub for Child Labour Remediation' (or 'The Hub' for short) was successfully launched in 2023 by the Fair Cobalt Alliance and managed by Alliance member The Centre for Children's Rights and Business and supported by Save the Children Germany. The Hub brings together local organisations with an interest and expertise on child safety and protection to build a coherent strategy and suite of services to prevent child labour and to remediate children already working, back into education and, if possible, a family environment.

The Hub was able to meet its 2023 goal of supporting 20 children and is now focused on scaling its interventions through fundraising to support more children in the community. More information about the Hub is available at: <http://www.clrhub.org/>

Raising workers' incomes: Working in close collaboration with the local partner Alternatives for Action (AFA), the second phase of the Village Savings and Loans Associations (VSLAs) project started, a continuation of the first phase efforts that began in 2022, where 14 groups were created. In 2023 the following results were achieved:

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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Ten new groups were created, bringing the total number of active groups in 2023 to 21, who collectively held 605 savings meetings during the year. The groups saved \$35,000 in savings and mobilized \$2,257 as solidarity funds which supported the creation of 120 new micro-enterprises and grants \$36,600 as loans to members, for activities including income generation activities, education, health and agriculture. Training was provided to group members on entrepreneurship, financial education, conflict management and leadership and group dynamics.

**Achieving market acceptance of fair artisanal cobalt:** Recognising that perceptions in the cobalt supply chain about artisanally mined minerals are poor, the Fair Cobalt Alliance has embarked on a mission to reverse this and facilitate market acceptance of responsibly mined minerals. To achieve this, the Alliance, with the help of some of our members, has developed and launched a Responsible Cobalt Credit (RCC) Mechanism.

Designed in collaboration with the FCA's Supply Chain Integration task force comprising eight members - Fairphone, Google, LG Energy Solutions, Shift Phone, Signify, IXM Metals, Ansvardea and Sushi Bikes - the Responsible Cobalt Credits mechanism was initiated in August 2023 at the same time as the launch of the Fairphone 5, the latest product from the Dutch electronics company and a Co-Founding member of the FCA. Fairphone has purchased credits worth slightly above \$12,000 for around 2.5 tonnes of cobalt from the mine site for the pilot.

The responsible cobalt credits is a 'book and claim' based credit system that allows downstream companies to financially contribute to improvements at artisanal mine sites committed to professionalising their operations – enabling and incentivising the responsible production of artisanal cobalt through joint work. To purchase a credit, downstream actors pay a premium of \$5,000 per tonne of cobalt, equivalent to 10% of the commodity's average price over the past three years, for cobalt produced at the Kamilombe artisanal mine site and sold to a trader or processing site. A credit within this system serves as proof that a certain amount of cobalt has been produced and sold with a certain level of Environmental, Social, and Governance (ESG) performance.

The funds generated from the sale of the credits are managed by The Impact Facility, with a dedicated Fund Allocation Committee (FAC) that includes the FCA, CMDS, and the Women Washer's Association, overseeing the articulation and prioritisation of funds for mine development. The four mine-site priority areas are listed here: 1) Good governance, 2) Safe and dignified working conditions, 3) Environmental protection, and 4) Inclusive economic development.

The FCA local team put a cobalt tracking system in place to understand the production volumes from the pilot ten tunnels (out of the more than 250 tunnels at the site), going through ore washing and to the depots. The Impact Facility will report on incoming and outgoing funds to both the cooperatives and the companies that contribute to the credit scheme, and TIF's accounts will be audited at the end of the year. We are expecting further companies to also purchase credits now that the system has been demonstrated in practice by Fairphone and the FCA.

#### *Creating an enabling environment*

To achieve a tangible impact on the ground, the Fair Cobalt Alliance also has the following workstreams dedicated to creating the right environment to ensure the success and uptake of its programme.

**Governance and member engagement:** In the first quarter of the year, the Alliance developed the 2026 strategy, clearly articulating four core objectives to include a mine site support focus to enable safe and fair artisanal production, child labour remediation and prevention and community economic resilience, with a focus on saving groups and economic diversity. To reach the objectives, value chain participation through an increased and engaged membership will be prioritised to enable the long-term sustainability of our interventions.

The FCA Secretariat continued to seek the support of the supply chain integration task force and the communications taskforce to meet several goals. The supply chain task force was created to garner support to enable the FCA's goal of facilitating market acceptance for fair cobalt, with last year's focus being on the development and rollout of the responsible cobalt credits which culminated with the pilot rollout in collaboration with Fairphone.

The communications taskforce, meeting every six weeks, was created to get support to boost the cobalt supply chain awareness of the sector and our work, refine the Fair Cobalt Alliance messaging, and encourage broader stakeholder engagement in the sector and member recruitment.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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The FCA Secretariat continued to seek the support of the supply chain integration task force and the communications taskforce to meet several goals. The supply chain task force was created to garner support to enable the FCA's goal of facilitating market acceptance for fair cobalt, with last year's focus being on the development and rollout of the responsible cobalt credits which culminated with the pilot rollout in collaboration with Fairphone.

The communications taskforce, meeting every six weeks, was created to get support to boost the cobalt supply chain awareness of the sector and our work, refine the Fair Cobalt Alliance messaging, and encourage broader stakeholder engagement in the sector and member recruitment.

Forging strategic partnerships & government relations: Recognising the complexity of the artisanal cobalt sector, the FCA engages in collaboration with different key actors.

#### National Stakeholders:

The FCA participated in a session organised by the Ministry of Mines, where the DR Congo government's comprehensive five-year plan for the mining sector was presented. This participation enabled the alignment of the FCA strategy with those outlined by the government, particularly focusing on the legalisation of artisanal mine sites. Acknowledged as an expert in the sector, the FCA chose to articulate the essential requisites for a safe and responsible artisanal mine during an *Entreprise Générale de Cobalt (EGC)* workshop.

Notably, the FCA facilitated a working group within the *Cellule Présidentielle de Veille Stratégique (CPVS)*, specifically addressing the question of the ideal cooperative model for the professionalisation of artisanal mining. The FCA also attended a workshop to foster the coexistence between large-scale mining and artisanal and small-scale mining organised by CPVS. To concretise our engagement with this institution, the FCA has also engaged in a preliminary Memorandum of Understanding (MOU) with the CPVS.

The FCA has forged a partnership with the *Cellule Technique de Coordination et de Planification Minière (CTCPM)*, culminating in the presentation of a preliminary partnership agreement to the Minister of Mines.

#### International Stakeholders:

The FCA continues to engage other international stakeholders working in the DR Congo, including USAID, the European Union, Cobalt for Development (C4D), the Belgian Embassy, the Swedish Embassy, the European Commission, RMI, the Paris Peace Forum, and the Organisation for Economic Co-operation and Development (OECD). The FCA is committed to aligning areas of collaboration with stakeholders across our membership rather than duplicating efforts for more sustainable sector development.

Delegation Visit: In September, the FCA hosted its second annual delegation visit to Kolwezi, welcoming a diverse group of participants from several organisations, including FCA members, project partners, embassy representatives, and government officials from the DR Congo. The four-day visit provided stakeholders with an invaluable opportunity to engage directly with mining communities, observe on-the-ground operations, and discuss strategies for sustainable development.

Central to the visit was the exploration of several key projects spearheaded by the FCA including a visit to the Kamilombe mine site run by CMDS to gain insights into the intricacies of ASM practices, which included a tour of the CMDS-funded hospital visit. The delegation also participated in a round table on child labour remediation led by The Centre for Child Rights and Business, presenting The Hub for CLR.

The participants also got an opportunity to visit the Mutanda mining site, an industrial mining operation operated by Glencore located outside Kolwezi, providing valuable insights into large-scale mining operations, allowing for comparisons with artisanal mining practices and facilitating discussions on the potential synergies and challenges associated with different mining models.

Outreach, fundraising and recruitment: To help expand the current Alliance footprint to additional sites, the FCA updated its fundraising strategy in 2023. The strategy's focus is solidifying FCA's position as a strategic partner in the DR Congo, aligning with government commitments for in-country value addition through local battery manufacturing.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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**Fundraising:** The Impact Facility team, in collaboration with Trust Merchant Bank (TMB), secured funding from USAID's Jet Mineral Challenge for project funding of USD 226,909. This project, commencing in 2024, aims to address corruption in the trade and taxation of the artisanal cobalt mining sector. The project will introduce TMB's Pepele Mobile payment platform to the artisanal cobalt trade, incentivizing the adoption of digital payments and reducing reliance on commissions from third-party traders.

The FCA dedicated a lot of effort to convening consortiums to make applications for funding from the European Partnership for Responsible Minerals (EPRM) and the USAID funding opportunity made available through the Africa Trade and Investment (ATI). Funding of 320,000 Euros has recently been approved by the EPRM and the project will commence in 2024. This is an 18-month project to develop a replicable and scalable mineral credit system for application in artisanal Cobalt Credits.

The ATI project, a USD 2 million project, if approved, will enable the piloting of a professionalized and responsible artisanal cobalt mine site by the EGC. These sources of funds will enable the scaling of the FCA's work in the region.

**Event participation:** The FCA continues to actively engage in various sector events to recruit new members, connect with key industry stakeholders, secure our position as an industry expert and secure additional financing. These include Mining Indaba event in Cape Town, South Africa, in February – the most significant mining conference in Africa. The team also participated in the DRC Mining Week conference in Lubumbashi, DR Congo, the biggest mining sector conference in the DRC, where the FCA was a cobalt sponsor. Other key events include the BMZ's (German Federal Ministry for Economic Cooperation and Development) High-Level Forum in Berlin, Evolve: Assent's supply chain sustainability conference, Mines and Money, The Global Sustainable Development Congress in Saudi Arabia, Paris Peace Forum, Cobalt Congress in Istanbul, and the OECD Responsible Minerals Forum in Paris, Katanga Business Meeting (KBM) in Kolwezi and Lubumbashi and at the DRC-Africa Battery Metals Forum in Kinshasa, Finance Against Slavery & Trafficking (FAST) forum in The Netherlands and the RMI Annual Conference in USA, represented by different members of the FCA in-country and international team.

**Artisanal Cobalt Mining Photo Exhibition:** To change the supply chain perception of artisanal and small-scale mining, historically tainted negatively by mainstream media, the FCA, through the photography of David Sturmes-Verbeek, the Director of Business Innovation and Partnerships, set out to display images at several events depicting the sector and the people that depend on it as a livelihood source, as a people proud of their work and who use their hard-earned money to support their families, send their children to school and build a future for themselves.

These images have been featured in five cobalt sector relevant events around the world, more specifically at the Cobalt Congress in May in Istanbul, the DRC Mining Week at the Belgium Embassy in June, IFA Event in September in Berlin, Germany, the London Metal Week in October, and the RMI Conference in California, USA in October.

#### *Monitoring & Evaluation*

In 2023, the Fair Cobalt Alliance developed and tested a global M&E Framework, with the support of sustainability consultants Levin Sources. In March 2023, the FCA conducted a comprehensive baseline survey consisting of 210 participants, disaggregated by the groups of community members in Kapata, located next to the Kamilombe mine site area, 96 underground workers, 95 Kapata community members, and 19 women washers. The study yielded a firm base of knowledge upon which the Alliance has developed one of its most central tools: the FCA M&E Measurement Plan. The Measurement Plan outlines all the key indicators at the core of the FCA's operations, specifying measurable and timely assessment strategies for each distinctive output, outcome and impact.

#### The Lake Victoria Gold Programme

The Impact Facility's Lake Victoria Gold Programme supports Artisanal and Small-Scale Gold mines to improve productivity and the responsible production of gold. Activities in 2023 took place almost exclusively in Kenya and Tanzania to:

- Support mines to access equipment through a lease-to-purchase programme
- Provide technical support to mines to improve their environmental, social and governance (ESG) performance against TIF's Impact Escalator
- Increase downstream demand and support for responsible artisanally mined gold

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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Our work in Kenya was predominantly supported by the GenEM Foundation and European Partnership for Responsible Minerals, with investment finance provided by a private individual. Our work in Tanzania is also supported by the GenEM Foundation, as well as with funding from the Netherland's Enterprise Agency.

In Kenya, our equipment access work is implemented through a lease-to-purchase programme. By the end of 2023, we had active leases with six mines, benefitting 190 workers (60 women). The total value of leases made was approximately \$136,000, with c. \$60,000 already repaid against these contracts. The lease programme had one default and one contract cancellation by a mine. While these events posed a challenge to the programme, addressing these during the early stages of the establishment of the programme has allowed TIF to learn valuable lessons which can help reduce the instance of such incidents in future.

The lease programme has moved from pilot to proof-of-concept and is now scaling, with an expected expansion into Tanzania in early 2024 through loans. In Kenya, the six mines active in our portfolio by the end of 2023 reported an overall increase in average monthly production of approximately 50%. This has been accompanied by improvements in ESG performance at every mine site: for example, two-thirds of mines have made significant health and safety improvements; more than half of the gold production we support is processed using alternative techniques to mercury; and record-keeping has improved across all mines.

In Tanzania, in relation to our equipment access work, efforts were focused on securing financing and designing a loan programme which builds on our Kenya lease-to-purchase work; aligns with domestic regulatory requirements; and meets the needs of artisanal and small-scale gold mines. This work was completed at the end of 2023, with a contract in late-stage discussion which is expected to fund this programme from 2024-2025.

Our technical support to mines continued in 2023. In Tanzania, this was done in close partnership with Solidaridad, and covered interventions from financing sampling and testing of ore samples to inform improved mine development, through to training on Operational Health and Safety. Work was also undertaken to design and test an improved mercury retort to assist with uptake by gold processors. Several user concerns with the design were identified and further improvements will be made in 2024.

In Kenya, similar technical assistance was provided to mines, including training on geology, blasting/drilling, ventilation, and ground control. Additionally, mines already benefitting from the lease-to-purchase programme were also supported to implement Continuous Improvement Plans, which identify specific ESG improvements to be made alongside leases – as noted above, all mines made at least one improvement in their ESG performance during the year.

Further improvements were made to our mine assessment and engagement tools as we learned from the early stages of implementing the lease-to-purchase programme. This includes replacing Continuous Improvement Plans (CIPs) with Investment Partnership Plans (IPPs), which are expected to support mines more effectively in making ESG improvements by focusing on a smaller number of priorities and tying improvements to potential further stages of financing.

Under the downstream component of our work, work continued on the design of Responsible Mineral Credits for gold. This was paused while Responsible Cobalt Credits were piloted under our FCA programme, but will now be picked up in 2024.

During the year, we also received funding from the Fashion Pact, which enabled TIF to build a minimum viable product for a digital platform to host TIF's mine assessment and investment processes. This platform will be essential to support and improve TIF's processes as the gold programme expands. It will also provide greater transparency and access to data for both mines and potential funders/investors. Further work is planned to expand the functionality of the platform in 2024, enabling it to be accessed by external users.

TIF also received a donation from BRUNA to support efforts to promote mercury-free gold processing at the cluster of mines located at Osiri Matanda, in Migori County and to promote women's involvement and leadership in mining through an internship at TIF. This work will commence in early 2024.

The Impact Facility's gold programme team have also been present at several conferences across 2023, including Tanzania Mining and Investment Forum; Kenya Mining Week; Kenya's Haki Madini conference; and the Rwanda Mining Week.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### Financial Review

The financial review covers the annual period of the group to 31 December 2023. The total income for the group was £1,460,581 (Dec 2022: £1,378,717), which includes £1,434,928 (Dec 2022: £1,337,647) income from education activities, and £25,653 (Dec 2022: £41,070) income from equipment leasing.

Total expenditure for the group for the year was £1,521,867 (Dec 2022: £1,528,961), which includes costs of education activities of £1,477,457 (Dec 2022: £1,481,523) and expenditure on equipment leasing of £44,410 (Dec 2022: £47,438). The net expenditure for the year was £76,321 (Dec 2022: £129,255) after a loss on foreign exchange of £15,035 (Dec 2022: £20,989 gain).

At the balance sheet date, the total funds for the group were £117,720 (Dec 2022: £194,041), which were made up of general unrestricted funds totalling £88,711 in deficit (Dec 2022: £47,697 in deficit) and restricted funds totalling £206,341 (Dec 2022: £241,738).

#### Reserves policy

Our reserves policy aims to ensure our work is protected from the risk of disruption at short notice due to a lack of funds, whilst at the same time ensuring we do not retain income for longer than required.

Policy owner: Chief Finance Officer

Audience: All

Legislation: and regulation Charity Commission guidance 'Charities reserves: building resilience' (CC19) Approved by: Board of Trustees

Last update: Oct 2023

Next review: Oct 2024

1 This policy sets out our need for the financial reserves.

2 Reserves Our reserves policy aims to ensure our work is protected from the risk of disruption at short notice due to a lack of funds, whilst at the same time ensuring we do not retain income for longer than required. The trustees have determined that the Charity needs unrestricted reserves to provide adequate working capital to protect against unbudgeted costs and ensure the delivery of our programmes. It is determined that The Impact Facility should hold sufficient accumulated unrestricted funds to cover unbudgeted fluctuations in income and/or expenditure, equivalent to three months of budgeted resource. The actual level of unrestricted reserves is less than our policy. The trustees are budgeting for a more balanced unrestricted reserves in 2024 and plan to meet our policy by 2025.

3 Financial impact of risk

3.1 To ensure that there is no significant disruption to our charitable activities, holding appropriate reserves will enable the organisation to respond to any unforeseen reduction in income (for example when income does not reach expected levels); or additional expenditure (for example if projects overrun, or unplanned events occur).

3.2 A detailed review of the financial risks we face is monitored on an ongoing basis, and our assessments on the possible financial impact of those risks have been incorporated into the reserves requirement we have calculated.

4 Working capital

4.1 Free reserves include both cash, which are immediately available, and other working capital balances. Working capital represents a significant element of our reserves, but not all of these balances are immediately available. For example, it takes on average 55 days to collect cash from trade debtors.

5 Commitments and long-term plans

5.1 Commitments and long-term plans not already reflected in plans and budgets are also evaluated on an ongoing basis. We do not believe there is any need to make further provision for such items.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 6 Reserves

6.1 Based on the above, it is determined that The Impact Facility should hold sufficient accumulated unrestricted funds to cover unbudgeted fluctuations in income and/or expenditure, equivalent to three months of resources at budgeted levels.

#### 7 Responsibilities

7.1 The Board of Trustees are responsible for ensuring that we manage our resources responsibly, and that we act in the best interests of the organisation and the people we serve. The Board has responsibility for approving and monitoring the implementation of this policy.

7.2 The Senior Management Team is responsible for providing clear and focused leadership of the organisation, and to ensure our financial stability.

7.3 The Chief Finance Officer is the policy owner and is responsible for managing our reserves, ensuring this policy is reviewed in line with corporate requirements.

#### 8 Laws and regulations

8.1 As a registered charity, we are required to meet relevant legal and regulatory requirements. We have a duty to apply charitable funds within a reasonable period of time for the benefit of the people we serve.

8.2 This policy sets out the framework we have in place to confirm the level of reserves we have determined is appropriate for our organisation and draws upon guidance such as the Charity Commission's CC19.

#### 9 Monitoring and compliance

9.1 Reserves levels and forecasts will be monitored as part of monthly financial reporting, with regular reports provided to the Board of Trustees and the Senior Management Team.

#### Future Plans

In 2024 The Impact Facility plans to continue and grow its work with gold and cobalt mining communities in East and Central Africa. In particular we seek to expand our innovative gold financing programme in Tanzania and to grow the membership, and further external funding for the Fair Cobalt Alliance, and thereby increase the impact on the ground.

The Trustees have initiated the process of developing a strategic plan for the organisation in 2023, and this is planned to be finalised and approved in 2024 to provide guidance and direction for the charity for the coming years.

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

#### Structure, Governance and Management

The trustees who have served the charity during the year to December 2023 are:

Ms M Lempers	(Resigned 30 June 2024)
Ms C Neefs	(Resigned 15 February 2023)
Mr S Lowe	
Dr A Steward Carter	
Ms S Hope	(Appointed 1 June 2023)
Ms B Vissers	(Appointed 15 February 2023)
Mr P Singo	(Resigned 22 February 2023)

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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### Structure:

The Impact Facility has been established as a Charitable Incorporated Organisation (CIO) registered under the laws of England and Wales. The Impact Facility's Registered Office is located in Avening Park, Tetbury, Gloucestershire England.

The Impact Facility has established a fully owned trading subsidiary, Impact Capital (ICL), registered as a company limited by shares in the UK. This trading subsidiary is able to receive third party investments and to facilitate investments into mining communities.

The Impact Facility legal advisors are Virginia Henley of Harrison Clark Rickerbys Limited, Oliver Hunt of the Charity & Social Enterprise Department of Bates Wells Braithwaite, Oliver Rochman and Dom Rothbarth of Morrison and Foerster and HCR Hewitsons. Bespoke Accountants provides accounting services. The Impact Facility holds its bank account with Lloyds bank. The financial year of The Impact Facility is 1st January to 31st December.

### Governance:

The Impact Facility is governed by the Impact Facility Constitution. In line with UK Government requirements for CIOs The Impact Facility has a constitution including provisions to ensure The Impact Facility complies with the UK Charities 2011 Act and the General Regulations. In line with UK government guidelines for CIO's The Impact Facility follows its Charitable purpose. This includes the commitment to promote sustainable development defined as "development which meets the needs of the present without compromising the ability of future generations to meet their own needs".

### Management:

The Impact Facility Trustees have appointed a CEO to oversee the day-to-day management of the CIO. This CEO is accountable to the Trustees for the delivery of the charity's mission through its programme services together with fundraising, financial leadership and managing the staff. The CEO is supported by a Senior Management team, consisting of the Chief Financial Officer and the Director of Innovation and Partnerships.

### Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 group and of the incoming resources and application of resources of the group for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.



Mr S Lowe

**THE IMPACT FACILITY**

**TRUSTEES' REPORT (CONTINUED)**  
***FOR THE YEAR ENDED 31 DECEMBER 2023***

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Trustee

Date: ..... 11 Dec 2024 .....

# THE IMPACT FACILITY

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE IMPACT FACILITY

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### Opinion

We have audited the financial statements of The Impact Facility (the 'charity') and its subsidiary (the 'group') for the year ended 31 December 2023 which comprise the group statement of financial activities, the charity statement of financial activities, the group balance sheet, the charity balance sheet, the group statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, 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 Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group 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 group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# THE IMPACT FACILITY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE IMPACT FACILITY

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### Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees 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 group'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 cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

1. At the planning stage of the audit we gain an understanding of the laws and regulations which apply to the charity and how the management seek to comply with those laws regulations. This helps us to plan appropriate risk assessments.
2. During the audit we focused on relevant risk areas and review the compliance with the laws and regulations by making relevant enquiries and undertaking corroboration, for example by reviewing Board Minutes and other documentation.
3. We assessed the risk of material misstatement in the financial statements including as a result of fraud and undertook procedures including:
  - a. Reviewing the controls set in place by management;
  - b. Making enquiries of management as to whether they consider fraud or other irregularity may have taken place, or where such opportunity might exist;
  - c. Challenging management assumptions with regard to accounting estimates; and
  - d. Identifying and testing journal entries, particularly those which appear to be unusual by size or nature.

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

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

### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

# THE IMPACT FACILITY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE IMPACT FACILITY

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*Samantha Daniels*

**Samantha Daniels (Senior Statutory Auditor)  
for and on behalf of Shaw Gibbs (Audit) Limited**

11 Dec 2024  
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**Chartered Certified Accountants  
Statutory Auditor**

264 Banbury Road  
Oxford  
OX2 7DY

Shaw Gibbs (Audit) Limited is eligible for appointment as auditor of the group by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

## THE IMPACT FACILITY

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
		2023	2023	2023	2022	2022	2022
Notes		£	£	£	£	£	£
<b>Income from:</b>							
Charitable activities	3	176,650	1,283,931	1,460,581	133,511	1,245,206	1,378,717
<b>Expenditure on:</b>							
Charitable activities	4	205,697	1,316,170	1,521,867	192,981	1,335,980	1,528,961
<b>Net expenditure</b>		(29,047)	(32,239)	(61,286)	(59,470)	(90,774)	(150,244)
<b>Other recognised gains and losses:</b>							
Other gains/(losses)	8	(11,967)	(3,068)	(15,035)	21,126	(137)	20,989
<b>Net movement in funds</b>		(41,014)	(35,307)	(76,321)	(38,344)	(90,911)	(129,255)
<b>Reconciliation of funds:</b>							
Fund balances at 1 January 2023		(47,697)	241,738	194,041	(9,353)	332,649	323,296
<b>Fund balances at 31 December 2023</b>		(88,711)	206,431	117,720	(47,697)	241,738	194,041

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# THE IMPACT FACILITY

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	Notes	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
<b>Income from:</b>							
Charitable activities	3	176,650	1,283,931	1,460,581	133,511	1,245,206	1,378,717
<b>Expenditure on:</b>							
Charitable activities	5	205,697	1,310,162	1,515,859	192,981	1,332,999	1,525,980
<b>Net expenditure for the year/ Net outgoing resources</b>							
		(29,047)	(26,231)	(55,278)	(59,470)	(87,793)	(147,263)
<b>Other recognised gains and losses</b>							
Other gains or losses	8	(11,967)	(3,068)	(15,035)	21,126	(137)	20,989
<b>Net movement in funds</b>							
		(41,014)	(29,299)	(70,313)	(38,344)	(90,911)	(126,274)
Fund balances at 1 January 2023							
		(47,697)	244,719	197,022	(9,353)	332,649	323,296
<b>Fund balances at 31 December 2023</b>							
		(88,711)	215,420	126,709	(47,697)	244,719	197,022

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# THE IMPACT FACILITY

## CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2023

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		2023		2022	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		12,084		22,427
<b>Current assets</b>					
Debtors	17	294,225		366,754	
Cash at bank and in hand		285,684		245,229	
		579,909		611,983	
<b>Creditors: amounts falling due within one year</b>	19	389,162		380,790	
Net current assets			190,747		231,193
<b>Total assets less current liabilities</b>			202,831		253,620
<b>Creditors: amounts falling due after more than one year</b>	21		(85,111)		(59,579)
<b>Net assets</b>			117,720		194,041
<b>The funds of the group</b>					
Restricted income funds	24	206,431		241,738	
Unrestricted funds	22	(88,711)		(47,697)	
		117,720		194,041	

The financial statements were approved by the trustees on 11 Dec 2024 .....



Mr S Lowe  
Trustee

# THE IMPACT FACILITY

## CHARITY BALANCE SHEET

AS AT 31 DECEMBER 2023

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	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		12,084		22,427
Investments	14		1		1
			<u>12,085</u>		<u>22,428</u>
<b>Current assets</b>					
Debtors		294,225		366,755	
Cash at bank and in hand		285,584		245,208	
		<u>579,809</u>		<u>611,963</u>	
<b>Creditors: amounts falling due within one year</b>	20	(465,185)		(437,369)	
Net current assets			<u>114,624</u>		<u>174,594</u>
<b>Total assets less current liabilities</b>			126,709		197,022
<b>Creditors: amounts falling due after more than one year</b>	21		-		-
			<u>126,709</u>		<u>197,022</u>
<b>Income funds</b>					
Restricted funds	25		215,420		244,719
Unrestricted funds	23		(88,711)		(47,697)
			<u>126,709</u>		<u>197,022</u>

11 Dec 2024

The financial statements were approved by the Trustees on .....



Mr S Lowe  
Trustee

# THE IMPACT FACILITY

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

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	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	31		40,845		(190,431)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(848)		(15,982)	
Proceeds from/ (payment of) loans receivable		458		6,750	
<b>Net cash used in investing activities</b>			(390)		(9,232)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			40,455		(199,663)
Cash and cash equivalents at beginning of year			245,229		444,892
<b>Cash and cash equivalents at end of year</b>			285,684		245,229

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# THE IMPACT FACILITY

## CHARITY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

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	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	32		40,767		(190,451)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(848)		(15,983)	
Proceeds from/ (payment of) loans receivable		457		6,750	
<b>Net cash used in investing activities</b>			(391)		(9,233)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			40,376		(199,684)
Cash and cash equivalents at beginning of year			245,208		444,892
<b>Cash and cash equivalents at end of year</b>			285,584		245,208

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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### 1 Accounting policies

#### Charity information

The Impact Facility is a charitable incorporated organisation registered in England and Wales. The registered office is Avening Park, West End, Avening, Tetbury, GL8 8NE.

#### 1.1 Reporting period

The Trustees previously elected to change the reporting date to 31 December to align with fellow group companies. As a result the current reporting period is for the 12 months from 1 January 2023 to 31 December 2023, which is not directly comparable with the comparative 9 months ended 31 December 2022.

#### 1.2 Accounting convention

The financial statements have been prepared in accordance with the group's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The group is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.3 Going concern

The financial statements have been prepared on a going concern basis. Cash flow forecasts have been prepared for a period of at least twelve months from the date of approval of the financial statements. These forecasts consider and analyse any risks that might affect the charity's resources or ability to continue operations. The forecasts take into consideration the challenging economic environment and its potential impact on income and expenditure.

We consider it possible to offset any potential income shortfalls with a reduction in expenditure. Our reserves policy states that we should hold sufficient reserves to ensure that our work is protected from the risk of disruption at short notice due to a lack of funds, whilst at the same time ensuring that we do not retain income for longer than required.

Our unrestricted reserves are currently in deficit, but continuing support from TDi Sustainability and confidence in our fundraising, will reduce this deficit and are committed to rebuilding our reserves to a level that allows us to invest for the future growth and development of the organisation.

We monitor performance, cashflow, and forecasts on a regular basis and manage our finances according to the analysis of this position. The trustees have therefore concluded there is a reasonable expectation that the Charity has adequate resources to continue in operation for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

#### 1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

---

### 1 Accounting policies (Continued)

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.5 Income

Income is recognised when the group is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

#### 1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is included in the SOFA on an accrual basis.

#### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	3 years straight line
Motor vehicles	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.8 Impairment of fixed assets

At each reporting end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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### 1 Accounting policies (Continued)

#### 1.10 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.13 Leases

Where the Charity acts as a lessor, amounts due from lessees under finance leases are recognised as debtors at the present value, where material on leases in excess of 2 years duration, of the future minimum lease payments plus any unguaranteed residual value (the "net investment in the lease") plus incremental costs of negotiating and arranging the lease. Finance income from assets leased under a finance lease is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment in the lease.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 1 Accounting policies

(Continued)

#### 1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Critical accounting estimates and judgements

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

### 3 Income from charitable activities - Charity and consolidated

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
<b>Education</b>						
Consultancy	176,650	1,258,278	1,434,928	133,511	1,204,136	1,337,647
<b>Equipment leasing</b>						
Consultancy	-	18,648	18,648	-	36,008	36,008
Lease interest	-	7,005	7,005	-	5,062	5,062
	<u>176,650</u>	<u>1,283,931</u>	<u>1,460,581</u>	<u>133,511</u>	<u>1,245,206</u>	<u>1,378,717</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 4 Expenditure on charitable activities - Consolidated

	Education	Equipment leasing	Total	Education	Equipment leasing	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
<b>Direct costs</b>						
Staff costs	342,402	-	342,402	190,340	-	190,340
Depreciation and impairment	11,192	7,851	19,043	6,500	-	6,500
Consultancy	612,360	18,505	630,865	904,469	36,008	940,477
Travel and subsistence	86,046	-	86,046	82,799	-	82,799
Insurance	-	2,632	2,632	-	3,111	3,111
Project equipment	9,859	-	9,859	980	-	980
Website and marketing	43,916	234	44,150	2,689	-	2,689
Education and training	3,525	-	3,525	1,663	-	1,663
General expenses	42,819	4,768	47,587	36,899	3,407	40,306
Legal expenses	18,139	-	18,139	4,210	-	4,210
Premises expenses	29,133	-	29,133	25,324	-	25,324
Payroll services	23,470	-	23,470	17,702	-	17,702
	<u>1,222,861</u>	<u>33,990</u>	<u>1,256,851</u>	<u>1,273,575</u>	<u>42,526</u>	<u>1,316,101</u>
<b>Share of support and governance costs (see note 6)</b>						
Support	183,541	6,000	189,541	178,871	1,912	180,783
Governance	71,055	4,420	75,475	29,077	3,000	32,077
	<u>1,477,457</u>	<u>44,410</u>	<u>1,521,867</u>	<u>1,481,523</u>	<u>47,438</u>	<u>1,528,961</u>
<b>Analysis by fund</b>						
Unrestricted funds	205,697	-	205,697	192,981	-	192,981
Restricted funds	1,271,760	44,410	1,316,170	1,288,542	47,438	1,335,980
	<u>1,477,457</u>	<u>44,410</u>	<u>1,521,867</u>	<u>1,481,523</u>	<u>47,438</u>	<u>1,528,961</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 5 Expenditure on charitable activities - Charity

	Education	Equipment leasing	Total	Education	Equipment leasing	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
<b>Direct costs</b>						
Staff costs	342,402	-	342,402	190,340	-	190,340
Depreciation and impairment	11,192	7,851	19,043	6,500	-	6,500
Consultancy	612,360	18,505	630,865	904,469	36,008	940,477
Travel and subsistence	86,046	-	86,046	82,799	-	82,799
Insurance	-	2,632	2,632	-	3,111	3,111
Interest payable	-	4,412	4,412	-	1,931	1,931
Project equipment	9,859	-	9,859	980	-	980
Website and marketing	43,916	234	44,150	2,689	-	2,689
Education and training	3,525	-	3,525	1,663	-	1,663
General expenses	42,819	4,768	47,587	36,899	3,407	40,306
Legal expenses	18,139	-	18,139	4,210	-	4,210
Premises expenses	29,133	-	29,133	25,324	-	25,324
Payroll services	23,470	-	23,470	17,702	-	17,702
	<u>1,222,861</u>	<u>38,402</u>	<u>1,261,263</u>	<u>1,273,575</u>	<u>44,457</u>	<u>1,318,032</u>
<b>Share of support and governance costs (see note 7)</b>						
Support	183,541	-	183,541	178,871	-	178,871
Governance	71,055	-	71,055	29,077	-	29,077
	<u>1,477,457</u>	<u>38,402</u>	<u>1,515,859</u>	<u>1,481,523</u>	<u>44,457</u>	<u>1,525,980</u>
<b>Analysis by fund</b>						
Unrestricted funds	205,697	-	205,697	192,981	-	192,981
Restricted funds	1,271,760	38,402	1,310,162	1,288,542	44,457	1,332,999
	<u>1,477,457</u>	<u>38,402</u>	<u>1,515,859</u>	<u>1,481,523</u>	<u>44,457</u>	<u>1,525,980</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 6 Support costs allocated to activities - Consolidated

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Staff costs	45,953	17,753
Website development	1,476	1,428
IT software and consumables	170	278
Travel and subsistence	-	5,103
Freelance workers	123,494	150,247
Payroll services	3,341	205
General expenses	13,528	5,769
Governance costs	77,054	32,077
	<u>265,016</u>	<u>212,860</u>
	<u><u>265,016</u></u>	<u><u>212,860</u></u>
<b>Analysed between:</b>		
Education	254,596	207,948
Equipment leasing	10,420	4,912
	<u>265,016</u>	<u>212,860</u>
	<u><u>265,016</u></u>	<u><u>212,860</u></u>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Governance costs comprise:</b>		
Audit fees	16,500	12,400
Accountancy	52,248	15,011
Legal and professional	8,306	4,666
	<u>77,054</u>	<u>32,077</u>
	<u><u>77,054</u></u>	<u><u>32,077</u></u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 7 Support costs allocated to activities - Charity

	2023 £	2022 £
Staff costs	45,953	17,753
Website development	1,476	1,428
IT software and consumables	170	278
Travel and subsistence	-	5,103
Freelance workers	123,494	150,247
Payroll services	3,341	205
General expenses	9,108	5,769
Governance costs	71,054	27,165
	<u>254,596</u>	<u>207,948</u>
<b>Analysed between:</b>		
Education	<u>254,596</u>	<u>207,948</u>

	2023 £	2022 £
<b>Governance costs comprise:</b>		
Audit fees	16,500	12,400
Accountancy	46,248	15,011
Legal and professional	8,306	4,666
	<u>71,054</u>	<u>32,077</u>

### 8 Other gains and losses

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Gains/(losses) upon:						
Foreign exchange	11,967	3,068	15,035	(21,126)	137	(20,989)
	<u>11,967</u>	<u>3,068</u>	<u>15,035</u>	<u>(21,126)</u>	<u>137</u>	<u>(20,989)</u>

### 9 Trustees

During the year no trustees received remuneration (December 2022: £Nil) for employment, and no trustees received pension benefit or employers national insurance (December 2022: £Nil for both). There were also no expenses reimbursed (December 2022: £Nil) to trustees.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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### 10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 11 Auditor's remuneration

Fees payable to the charity's auditor and associates:	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>For audit services</b>		
Audit of the financial statements of the charity	16,500	12,400
	<u>          </u>	<u>          </u>

### 12 Employees - Charity and consolidated

The average monthly number of employees during the year was:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Employees	12	8
	<u>          </u>	<u>          </u>

<b>Employment costs</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	347,053	189,663
Social security costs	38,897	12,420
Other pension costs	2,405	6,010
	<u>          </u>	<u>          </u>
	<u>388,355</u>	<u>208,093</u>

There were no employees whose annual remuneration was more than £60,000.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 13 Tangible fixed assets - Charity and consolidated

	Computers £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 January 2023	14,591	20,425	35,016
Additions	848	-	848
At 31 December 2023	15,439	20,425	35,864
<b>Depreciation and impairment</b>			
At 1 January 2023	5,864	6,725	12,589
Depreciation charged in the year	4,766	6,425	11,191
At 31 December 2023	10,630	13,150	23,780
<b>Carrying amount</b>			
At 31 December 2023	4,809	7,275	12,084
At 31 December 2022	8,727	13,700	22,427

### 14 Fixed asset investments - Charity

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 January 2023 & 31 December 2023	1
<b>Carrying amount</b>	
At 31 December 2023	1
At 31 December 2022	1

### 15 Subsidiaries

Details of the group's subsidiaries at 31 December 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Impact Capital Ltd	Avening Park West End, Avening Tetbury, England, GL8 8NE	Fair trading company	Ordinary	100.00	

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 16 Finance lease receivables - Consolidated and charity

	2023	2022
	£	£
Gross amounts receivable under finance leases:		
Within one year	40,385	33,907
Within two and five years	28,035	16,688
	<u>68,420</u>	<u>50,595</u>
Present value of minimum lease payments receivable	<u>68,420</u>	<u>50,595</u>
The present value is receivable as follows:		
Within one year	<u>40,385</u>	<u>33,907</u>

#### Analysis of finance leases

Finance lease receivables are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2023	2022
	£	£
Current assets	<u>40,385</u>	<u>33,907</u>

The group enters into financial leasing arrangements for mining equipment. The average term of finance leases entered into is between 1-2 years.

### 17 Debtors - Charity and consolidated

	2023	2022
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	212,900	314,259
Finance leases receivable	40,385	33,907
Other debtors	10,228	1,899
Prepayments and accrued income	2,677	-
	<u>266,190</u>	<u>350,065</u>
<b>Amounts falling due after more than one year:</b>		
Other debtors	<u>28,035</u>	<u>16,689</u>
<b>Total debtors</b>	<u>294,225</u>	<u>366,754</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 18 Retirement benefit schemes

	2023	2022
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	2,405	6,010

The group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 19 Creditors: amounts falling due within one year - Consolidated

	2023	2022
	£	£
Other taxation and social security	5,904	1,343
Trade creditors	121,918	274,862
Other creditors	5,060	1,358
Accruals and deferred income	256,280	103,227
	<u>389,162</u>	<u>380,790</u>

### 20 Creditors: amounts falling due within one year - Charity

	2023	2022
	£	£
Other taxation and social security	5,904	1,343
Trade creditors	119,518	274,862
Amounts owed to subsidiary undertakings	85,024	59,579
Other creditors	5,060	1,358
Accruals and deferred income	249,679	100,227
	<u>465,185</u>	<u>437,369</u>

### 21 Creditors: amounts falling due after more than one year - Consolidated

	2023	2022
	£	£
Other creditors	85,111	59,579

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 22 Unrestricted funds - Consolidated

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
General funds	(47,697)	176,650	(205,697)	(11,967)	(88,711)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Previous period:</b>	<b>At 1 April 2022</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Gains and losses</b>	<b>At 31 December 2022</b>
	£	£	£	£	£
General funds	(9,353)	133,511	(192,981)	21,126	(47,697)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 23 Unrestricted funds - Charity

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
General funds	(47,697)	176,650	(205,697)	(11,967)	(88,711)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Previous period:</b>	<b>At 1 April 2022</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Gains and losses</b>	<b>At 31 December 2022</b>
	£	£	£	£	£
General funds	(9,353)	133,511	(192,981)	21,126	(47,697)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 24 Restricted funds - Consolidated

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
FCA	256,811	912,598	(962,655)	-	206,754
LME	(41,748)	71,217	(18,539)	-	10,930
Gold	33,044	274,463	(291,435)	-	16,072
TES	(6,369)	25,653	(43,541)	(3,068)	(27,325)
	<u>241,738</u>	<u>1,283,931</u>	<u>(1,316,170)</u>	<u>(3,068)</u>	<u>206,431</u>
<b>Previous period:</b>	<b>At 1 April 2022</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Gains and losses</b>	<b>At 31 December 2022</b>
	£	£	£	£	£
FCA	308,525	599,917	(651,494)	(137)	256,811
LME	-	473,426	(515,174)	-	(41,748)
Gold	24,124	130,793	(121,873)	-	33,044
TES	-	41,070	(47,439)	-	(6,369)
	<u>332,649</u>	<u>1,245,206</u>	<u>(1,335,980)</u>	<u>(137)</u>	<u>241,738</u>

### 25 Restricted funds - Charity

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
FCA	256,811	912,598	(962,655)	-	206,754
LME	(41,748)	71,217	(18,539)	-	10,930
Gold	33,044	274,463	(291,435)	-	16,072
TES	(3,388)	25,653	(37,533)	(3,068)	(18,336)
	<u>244,719</u>	<u>1,283,931</u>	<u>(1,310,162)</u>	<u>(3,068)</u>	<u>215,420</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 25 Restricted funds - Charity

(Continued)

Previous period:	At 1 April 2022	Incoming resources	Resources expended	Gains and losses	At 31 December 2022
	£	£	£	£	£
FCA	308,525	599,917	(651,494)	(137)	256,811
LME	-	473,426	(515,174)	-	(41,748)
Gold	24,124	130,793	(121,873)	-	33,044
TES	-	41,070	(44,458)	-	(3,388)
	<u>332,649</u>	<u>1,245,206</u>	<u>(1,332,999)</u>	<u>(137)</u>	<u>244,719</u>

### 26 Analysis of net assets between funds - Consolidated

	Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £
<b>Fund balances at 31 December 2023 are represented by:</b>			
Tangible assets	-	12,084	12,084
Current assets/(liabilities)	(3,600)	194,347	190,747
Long term liabilities	(85,111)	-	(85,111)
	<u>(88,711)</u>	<u>206,431</u>	<u>117,720</u>
	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £
<b>Fund balances at 31 December 2022 are represented by:</b>			
Tangible assets	2,362	20,065	22,427
Current assets/(liabilities)	9,520	221,673	231,193
Long term liabilities	(59,579)	-	(59,579)
	<u>(47,697)</u>	<u>241,738</u>	<u>194,041</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 27 Analysis of net assets between funds - Charity

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022
	£	£	£	£	£
Fund balances at 31 December 2023 are represented by:					
Tangible assets	-	12,084	12,084	2,362	22,427
Investments	1	-	1	1	1
Current assets/(liabilities)	(88,712)	203,336	114,624	(50,060)	174,594
	<u>(88,711)</u>	<u>215,420</u>	<u>126,709</u>	<u>(47,697)</u>	<u>197,022</u>

### 28 Operating lease commitments - Charity and consolidated

#### Lessee

Lease payments are recognised as an expense in the year of £24,192 (period to 31 December 2022: £3,410). At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	7,316	22,184
Between two and five years	696	9,853
	<u>8,012</u>	<u>32,037</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 29 Related party transactions

#### Income

This year, the charity has received charitable activities income of £396,596 (31 December 2022: £104,543) from Fairphone for a joint project. Fairphone is an organisation which has a common trustee with The Impact Facility.

The charity received income of £74,620 (31 December 2022: £33,030) from TDi Sustainability which is the trading name of a company under the control of a Trustee of The Impact Facility. Included in trade debtors at the period end is £13,138 (31 December 2022: £18,978) owed from TDi Sustainability.

Charitable activities income of £26,730 (31 December 2022: £34,175) was received from Solidaridad Nederland which is one of The Impact Facility's project partners.

Included in other debtors on the charity balance sheet at the period end is £100 (31 December 2022: £99) owed by Impact Capital Ltd.

#### Expenditure

During the year TIF was invoiced £151,230 (31 December 2022: £160,962) for administrative services by TDi Sustainability, a company in which a trustee has a material interest. At the balance sheet date TDi is owed £80,099 (31 December 2022: £214,293) and this is included in trade creditors, and within other creditor is £1,253 (31 December 2022: £1,253).

Included in amounts due to subsidiaries at the year end is £85,024 (31 December 2022: £59,580) owed to Impact Capital Ltd.

During the year accountancy fees of £Nil (31 December 2022: £1,680) were paid to a firm, at which one of its partners is also a trustee of The Impact Facility.

### 30 Analysis of changes in net funds

The group had no material debt during the year.

31 Cash generated from operations - Consolidated	2023 £	2022 £
Deficit for the year	(61,286)	(150,244)
Adjustments for:		
Foreign exchange differences	(15,035)	20,989
Depreciation and impairment of tangible fixed assets	11,191	6,500
Movements in working capital:		
Decrease/(increase) in debtors	72,071	(27,792)
Increase in creditors	33,904	215,116
(Decrease) in deferred income	-	(255,000)
<b>Cash generated from/(absorbed by) operations</b>	<b>40,845</b>	<b>(190,431)</b>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

(Continued)

<b>32 Cash generated from operations - Charity</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Deficit for the year	(55,278)	(147,263)
Adjustments for:		
Foreign exchange differences	(15,035)	20,989
Depreciation and impairment of tangible fixed assets	11,192	6,500
Movements in working capital:		
Decrease/(increase) in debtors	72,072	(27,793)
Increase in creditors	27,816	212,116
(Decrease) in deferred income	-	(255,000)
<b>Cash generated from/(absorbed by) operations</b>	<b>40,767</b>	<b>(190,451)</b>

**THE IMPACT FACILITY**

England & Wales - Charity number 1181077

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# Accounts

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Charity Registration No. 1181077

**THE IMPACT FACILITY**  
**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**

# THE IMPACT FACILITY

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Ms M Lempers Dr A Carter PHD Mr S Lowe Ms B Visser Ms S Hope	(Appointed 1 June 2022) (Appointed 15 February 2023) (Appointed 1 June 2023)
<b>Charity number</b>	1181077	
<b>Principal address</b>	Avening Park West End Tetbury Gloucestershire GL8 8NE	
<b>Auditor</b>	Shaw Gibbs (Audit) Limited 264 Banbury Road Oxford OX2 7DY	
<b>Bankers</b>	Lloyds Bank 13-14 Cornmarket Thame Oxon OX9 2BN	

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# THE IMPACT FACILITY

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# THE IMPACT FACILITY

## TRUSTEES' REPORT

### FOR THE PERIOD ENDED 31 DECEMBER 2022

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The trustees present their annual report and consolidated financial statements for the period ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note note01 to the financial statements and comply with the group's constitution, 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)" (effective 1 January 2019). The Impact Facility is a Charitable Incorporated Organisation registered with the Charity Commission under registration number 1181077.

The results of the subsidiary are consolidated on a line by line basis.

#### Objectives and activities

The Impact Facility exists for the public benefit regarding:

1. The promotion of sustainable development for the benefit of communities and landscapes surrounding mining communities in developing nations and countries in transition. The Impact Facility will contribute through:

a) the preservation, conservation and the protection of the environment and the prudent use of natural resources, with a particular focus on mined resources.

b) the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged mining communities, in developing nations and transitioning countries.

c) the enabling of sustainable means of achieving economic growth and regeneration.

In this context sustainable development is defined as, "development which meets the needs of the present without compromising the ability of future generations to meet their own needs".

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the group should undertake.

#### Achievements and performance

Key achievements of The Impact Facility for this shortened year running from the 1 April 2022 to 31 December 2022 have revolved around two core programs: The Fair Cobalt Alliance and programmes implemented to improve gold mining communities in the Lake Victoria region.

In 2022, a key achievement of the Impact Facility was to continue the implementation of key activities under the Fair Cobalt Alliance (FCA), an initiative managed by The Impact Facility, that started in 2020 but only became fully operational in 2021. Other programmes supporting the objectives of the Fair Cobalt Alliance, such as the school renovation programme, also started implementation in this year.

The FCA is a multi-stakeholder initiative, supported by the Dutch government, and includes participants from the global cobalt supply chain collaborating to address complex developmental issues around the artisanal production of cobalt in the DRC. The FCA was founded by Fairphone, Signify and The Impact Facility and supported by corporate and non profit members including Tesla, Save the Children and others (for a full overview of members, see <https://www.faircobaltalliance.org/supply-chain-wide-collaboration/our-members/>).

The number of members grew in 2022 to 24 members, thereby contributing to further the goals of the key strategic areas of the Fair Cobalt Alliance:

1. Mine site expansion and legalization support
2. Enabling safe and dignified working conditions
3. Child labour remediation
4. Raising workers incomes
5. Achieving market acceptance for fair cobalt

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

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2022 has been an exciting year for the Fair Cobalt Alliance. The FCA introduced several fruitful projects at our partner artisanal mine site in the DRC. To achieve more dignified working conditions, several initiatives were rolled out with our partner cooperative to improve health and safety on site. An additional 50 safety captains were trained, making a total of 100 safety captains that provide weekly training to around 25 mine workers each. The FCA also launched a PPE provision programme, providing wading boots to women washers based on a sustainable rental system to ensure the possible renewing of PPE over time. Furthermore, an OHS committee was launched to review OHS needs and improvements on a continuous basis, with the support of health and safety experts of industrial mines. Wider OHS campaigns were also rolled out.

Other key progress was made together with the FCAs partners Save the Children and the Centre for Children's rights and businesses. These include further roll out and implementation of a holistic child labour remediation programme to provide a route away from mining for children working at mine sites. Three first pilot remediation cases were onboarded looking to expand to 20 cases over the next year.

In addition, the FCA facilitated the launch of a savings group project for the mining community surrounding Kamilombe - supporting the financial resilience and economic diversification of the local community. In total, 14 saving groups were supported with a total of 350 members. Together these groups saved over 63,000 USD and provided funds for, amongst others, over 240 children to support their education.

On top of this, the FCA conducted an investment study at Kamilombe, which identified the areas in the mine that need investment to improve and safeguard the overall health and safety of the miners. Finally, the FCA strengthened its governance last year, starting with the launch of the [2021 annual impact and finance report](#), a demonstration of our commitment to transparently communicate our impact, challenges, lessons learnt and finances to ensure full accountability and trust from all stakeholders. The annual report for 2022 can be found [here](#). Concurrently, the FCA Advisory board was launched, consisting of sector experts providing non-binding advice to our programming.

Lastly, the FCA hosted a delegation visit of 50 individuals from companies, governments and the nonprofit sector to increase visibility and awareness around the challenges, needs and development potential of the sector.

#### NOTEWORTHY MEDIA COVERAGE

The FCA is committed to enabling constructive news coverage of the sector, facilitating on-the-ground access to our projects where possible, and upon agreement by local stakeholders such as cooperatives and concession holders, and investing time and effort responding to interview requests from journalists, academics and rights groups. In 2022, the FCA got featured in over 30 articles, podcasts and/or interviews, including:

- Africa Report, January 27, 2022, "DRC: Ethically produced batteries need industry-wide collaboration", <https://www.theafricareport.com/170678/drc-ethically-produced-batteries-needs-industry-wide-collaboration/>
- Regen – Transforming Energy [podcast], January 25, 2022, "Storage & Sustainability", <https://open.spotify.com/episode/4onEI8s0IcKPLzJ90NUVN?si=35ea4c591a7344e8&nd=1>
- Mining and Business, March 3, 2022, "The fatal toll of artisanal cobalt mining continues. Is responsible ASM even possible?", <https://miningandbusiness.com/2022/03/03/the-fatal-toll-of-artisanal-cobalt-mining-continues-is-responsible-asm-even-possible>
- S&P Global, May 30, 2022, "On responsible cobalt from DRC, industry needs to 'put its money where its mouth is'", <https://www.spglobal.com/commodityinsights/en/market-insights/latest-news/energy-transition/053022-interview-on-responsible-cobalt-from-drc-industry-needs-to-put-its-money-where-its-mouth-is>
- Mining Review Africa, June 22, 2022, "Fair Cobalt Alliance – improving the image of cobalt's ASM", <https://www.miningreview.com/base-metals/fair-cobalt-alliance-improving-the-image-of-the-drcs-cobalt-asm/>

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

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• The Economist, July 5, 2022, "How the world depends on small cobalt miners", <https://www.economist.com/middle-east-and-africa/2022/07/05/how-the-world-depends-on-small-cobalt-miners>

• Assent, August 03, 2023, "Cobalt: Uncovering and Fixing Your Supply Chain's Hidden Risks", <https://www.assent.com/blog/cobalt-uncovering-and-fixing-your-supply-chains-hidden-risk/>

Secondly, the gold programme centered around the Lake Victoria region, continued and expanded. In 2022, work funded by the European Partnership of Responsible Minerals (EPRM) continued in Kenya to improve the social, environmental and business performance of artisanal gold mine sites.

In parallel, funding was awarded for the second phase of a programme to improve the performance of ASM entities in Tanzania, led by our partner Solidaridad. This work is scheduled to formally kick off in 2023. Lastly, work funded by Genesis Charitable Trust was accelerated to facilitate the provision of equipment to artisanal and small-scale gold mine sites in the Lake Victoria region.

These coordinated projects have the goal of enabling miners to access efficient and quality mining equipment, technical assistance and markets; based on the thesis that through accessing these resources ASM operators' can professionalize and thrive as flourishing, legitimate businesses.

A key component of our programme's work is to enhance the social and environmental performance of ASM operators. ASM operators follow an enabled path to adopting safer mining practices and creating decent working conditions, facilitated through the technical support of the TIF team and partner organizations following our continuous improvement framework. It leverages donor support and demonstrates the power of blended finance and impact investing through the tangible benefits experienced by mining communities.

Key activities implemented during this financial year included the onboarding of additional mine partners in West Kenya, upgrading of our tools and approaches for assessing the ESG performance of mine sites; creating new marketing materials for downstream engagement, rolling out health and safety trainings, and participation in a wide range of sector events to form funding links in East Africa and beyond.

Through our work in 2022, an additional 4 mine sites were contracted, bringing the total number of partner mines to 7; all of whom have all received or are scheduled to receive quality mining equipment, in addition to applied technical support.

In addition to contracting during the reporting period, our methodology for assessing mine performance has also been adjusted to more rapidly and simply capture the ESG score of partner mines and to define the most urgent improvement areas.

ESG improvement targets have been captured in so-called *Continuous Improvement Plans*, which have been rolled out over all 7 partner mine sites, providing an on-going reference point for ESG change.

In parallel to improving our systems for benchmarking and tracking ESG performance, we have also introduced a monthly data capture system to track financial and production data from partner mine sites. This was first rolled out in September 2022.

Furthermore, our health and safety approach was strengthened by the development of tailored OHS materials and the rolling out of a first round of comprehensive health and safety trainings reaching over 100 miners in Kenya.

Staff have also visited a regional summit for mercury management in Uganda. At this event, we saw - first hand - the use of advanced technology to eliminate the use of mercury from the recovery cycle. We have subsequently formed a strategic partnership with Dialagos - the lead technical partner who supported this work in Uganda. We plan to advance joint activities in Kenya in 2023.

On the downstream side, we developed our thinking further towards new modalities for corporate engagement, including efforts to incubate a Responsible Mineral Credits scheme, due for launch in 2023.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

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The Impact facility have also been present at several conferences across 2022, including the World Bank's Annual ASM symposium in Nairobi, to further links with international partners and funders. Several communication materials have been published around our gold program implementation, including the following blogs and publications:

- Safety First; Exploring new approaches to Occupational Health & Safety (OHS) services for Artisanal and Small-scale Mining: <https://www.theimpactfacility.com/safety-first/>
- Illuminating the path from mine to market: <https://www.theimpactfacility.com/illuminating-the-path-from-mine-to-market/>
- For artisanal miners to thrive, we must talk profits, not price: <https://www.theimpactfacility.com/for-artisanal-miners-to-thrive-we-must-to-talk-profits-not-price/>
- Business unusual or unusual business? <https://www.theimpactfacility.com/business-unusual-or-unusual-business/>
- TIF leasing model explained: Successes, Failures and What Next: <https://www.theimpactfacility.com/tif-leasing-model-explained-successes-failures-and-what->

#### Financial review

In this year of operations the charity successfully grew the Fair Cobalt Alliance as well as gold programmes. Furthermore, a study was initiated and concluded by the end of 2022 for a potential new programme on recycling. Additional corporate members joined the Fair Cobalt Alliance, increasing the funding base and the margin available to cover overheads. In 2022, funding was confirmed through our strategic partners Solidaridad, to continue work in Tanzania, funded by the RVO.

#### Reserves policy

Our reserves policy aims to ensure our work is protected from the risk of disruption at short notice due to a lack of funds, whilst at the same time ensuring we do not retain income for longer than required.

Policy owner	Chief Finance Officer
Audience	All
Legislation and regulation	Charity Commission guidance 'Charities reserves: building resilience' (CC19)
Approved by	Board of Trustees
Last update	Oct 2023
Next review	Oct 2024

1 This policy sets out our need for the financial reserves.

#### 2 Reserves

Our reserves policy aims to ensure our work is protected from the risk of disruption at short notice due to a lack of funds, whilst at the same time ensuring we do not retain income for longer than required. The trustees have determined that the Charity needs unrestricted reserves to provide adequate working capital to protect against unbudgeted costs and ensure the delivery of our programmes. It is determined that The Impact Facility should hold sufficient accumulated unrestricted funds to cover unbudgeted fluctuations in income and/or expenditure, equivalent to three months of budgeted resource. The actual level of unrestricted reserves is less than our policy. The trustees are budgeting for a more balanced unrestricted reserves in 2024 and plan to meet our policy by 2025.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

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#### 3 Financial impact of risk

3.1 To ensure that there is no significant disruption to our charitable activities, holding appropriate reserves will enable the organisation to respond to any unforeseen reduction in income (for example when income does not reach expected levels); or additional expenditure (for example if projects overrun, or unplanned events occur).

3.2 A detailed review of the financial risks we face is monitored on an ongoing basis, and our assessments on the possible financial impact of those risks have been incorporated into the reserves requirement we have calculated.

#### 4 Working capital

4.1 Free reserves include both cash, which are immediately available, and other working capital balances. Working capital represents a significant element of our reserves, but not all of these balances are immediately available. For example, it takes on average 45 days to collect cash from trade debtors.

#### 5 Commitments and long-term plans

5.1 Commitments and long-term plans not already reflected in plans and budgets are also evaluated on an ongoing basis. We do not believe there is any need to make further provision for such items

#### 6 Reserves

6.1 Based on the above, it is determined that The Impact Facility should hold sufficient accumulated unrestricted funds to cover unbudgeted fluctuations in income and/or expenditure, equivalent to three months of resources at budgeted levels.

#### 7 Responsibilities

7.1 The Board of Trustees are responsible for ensuring that we manage our resources responsibly, and that we act in the best interests of the organisation and the people we serve. The Board has responsibility for approving and monitoring the implementation of this policy.

7.2 The Senior Management Team is responsible for providing clear and focused leadership of the organisation, and to ensure our financial stability.

7.3 The Chief Finance Officer is the policy owner and is responsible for managing our reserves, ensuring this policy is reviewed in line with corporate requirements.

#### 8 Laws and regulations

8.1 As a registered charity, we are required to meet relevant legal and regulatory requirements. We have a duty to apply charitable funds within a reasonable period of time for the benefit of the people we serve.

8.2 This policy sets out the framework we have in place to confirm the level of reserves we have determined is appropriate for our organisation and draws upon guidance such as the Charity Commission's CC19.

#### 9 Monitoring and compliance

9.1 Reserves levels and forecasts will be monitored as part of monthly financial reporting, with regular reports provided to the Board of Trustees and the Senior Management Team.

#### Plans for future periods

In 2023 and beyond, the focus will be on growing the work on gold and cobalt and ensuring impact in the mining communities we currently work with, with a growing FCA membership base, as well as reaching additional institutional and corporate donors for our Lake Victoria programme.

The trustees have assessed the major risks to which the group is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

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#### Structure, governance and management

The trustees who have served for the charity in and following the year to 31 March 2022 are:

Ms C Neefs	(Resigned 15 February 2023)
Ms M Lempers	
Mr D Finlay	(Resigned 30 June 2022)
Dr A Carter PHD	
Ms P Singo	(Resigned 22 February 2023)
Mr S Lowe	(Appointed 1 June 2022)
Ms B Visser	(Appointed 15 February 2023)
Ms S Hope	(Appointed 1 June 2023)

#### Structure:

The Impact Facility has been established as a Charitable Incorporated Organisation (CIO) registered under the laws of England and Wales. The Impact Facility's Registered Office is located in Avening Park, Tetbury, Gloucestershire England.

The Impact Facility has established a fully owned trading subsidiary, Impact Capital (ICL), registered as a company limited by shares in the UK. This trading subsidiary is able to receive third party investments and to facilitate investments into mining communities.

The Impact Facility legal advisors are Virginia Henley of Harrison Clark Rickerbys Limited, Oliver Hunt of the Charity & Social Enterprise Department of Bates Wells Braithwaite, Oliver Rochman and Dom Rothbarth of Morrison and Foerster and HCR Hewitsons. Bespoke Accountants provides accounting services. The Impact Facility holds its bank account with Lloyds bank.

The financial year of The Impact Facility is 1<sup>st</sup> April to 31<sup>st</sup> December.

#### Governance:

The Impact Facility is governed by the Impact Facility Constitution. In line with UK Government requirements for CIOs The Impact Facility has a constitution including provisions to ensure The Impact Facility complies with the UK Charities 2011 Act and the General Regulations. In line with UK government guidelines for CIO's The Impact Facility follows its Charitable purpose. This includes the commitment to promote sustainable development defined as "development which meets the needs of the present without compromising the ability of future generations to meet their own needs".

#### Management:

The Impact Facility's Trustees have appointed an organization, TDi Sustainability (TDI), to provide management and support services. This includes general management services, financial management and HR services.

The Impact Facility's group of Trustees will comprise of a minimum of two independent members, committed to the mission of the Facility responsible for oversight of the (investment) strategy and ultimate control over the management of The Impact Facility. These trustees will act on a voluntary basis, be independent of TDi , and have no personal connections with the work of The Impact Facility manager. The Impact Facility manager will report to the Trustees as per the requirements of a CIO. The trustees will be the only company members of The Impact Facility and thus they will have control over any constitutional changes. In essence, the company members have equivalent powers to shareholders in a for-profit company, but do not have any personal financial interests and so do not receive shares or dividends.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE PERIOD ENDED 31 DECEMBER 2022**

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### **Trustees of The Impact Facility:**

The board of trustees are passionate about the work The Impact Facility does, with the skills and experience to make sure it is done effectively and true to the charity's core values and principles.

#### **Assheton Stewart Carter, TDi Sustainability**

Pioneering executive, consultant and NED on responsible sourcing, environmental markets, non-financial risk, and responsible investment in international and emerging markets. A track record of 25 years with a focus on the resource sector – mining (especially artisanal and small-scale mining) and forest-based carbon markets (REDD+) – and international supply chains – jewellery, luxury and auto and electronics OEM. Director of TDi, a sustainability advisory platform and incubator providing business development, risk management and programme and asset management services; he chairs and serves on a number of boards and expert panels for standard-setting organizations, NGOs and private companies. Dr Carter is an expert on corporate voluntary standard-setting and certification schemes, value-chain development from mine to market, and a gold industry expert.

#### **Monique Lempers, Fairphone**

Monique loves to connect different worlds to make an impact in the field of sustainability. She's inspired by working with positive, energetic people who are motivated by more than financial gain. In her role as Impact Innovation Director at Fairphone, she oversees the team responsible for ensuring Fairphones. Thought Leadership on driving impact towards a fairer industry is held high and embedded strongly in the company. Monique's sustainability experience spans more than 18 years. She has played a crucial role in scaling Fairphone through MT membership and former roles of Commercial and Value Chain. Before joining Fairphone, in the Sustainable Trade Initiative (IDH) Monique was leading large pre-competitive transformation programs in the Electronics, Mining and Textile supply chains with key industry players and NGOs, such as Apple, Philips, Levis, Tata Steel, Good Electronics and Friends of the Earth. These programs focused on building sustainable workforces by improving employee representation and dialogue with management, higher environmental performance in the supply chain and minimizing negative impact of mining. Prior to that, Monique worked as a Senior Advisor in Sustainability and Ethical Sourcing at PwC and researcher/project manager in the NGO human rights field.

#### **David Finlay, Fairtrade (resigned in June 2022)**

David has over a decades experience of forming and managing partnerships with institutional donors in support of innovative rural livelihoods programmes in both the agricultural and mining sectors. In the last four years, David has raised finance for programmes in particular supporting artisanal and small-scale gold mines in East Africa, in partnership with The Impact Facility. For the last two years, David has led Fairtrade gold at a category level; managing relationships with commercial partners using Fairtrade gold along the supply chain including refiners, manufacturers and end users of gold.

#### **Carla Neefs, Solidaridad (resigned in February 2023)**

Carla Neefs is a senior corporate engagement manager with Solidaridad. She works closely with midstream and downstream companies to build responsible supply chains for artisanal and small-scale gold. Prior to joining Solidaridad, she was director of Supplier Sustainability with Signify (former Philips Lighting), where she led the strategy and implementation of programs towards a responsible supply chain including the conflict minerals and responsible cobalt sourcing program. Before that, Carla was a sustainability consultant with Ernst & Young, specialized in sustainability strategy and sustainable supply chains. At the start of her career, she was employed by governmental agencies and not for profit organizations, as a specialist in sustainability.

#### **Patience Singo, ASM expert (resigned in February 2022)**

Patience Singo is Project Manager for Rwenzori Rare Metals, an exploration and mining company in Uganda. A mining engineer by profession he has more than 25 years in the mining sector with several years supporting and implementing projects on artisanal mining formalization and professionalization in several countries in Africa, Asia, Latin America and the Caribbeans. His experience includes advising governments, private sector, development agencies and communities on policy and governance, environmental management and sustainable development related to mining.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

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#### **Barbara Visser, Chief Operating Officer – IDH Investment Management/IDH Farmfit Fund (appointed in February 2023)**

Barbara Visser, an experienced executive in public-private partnerships and blended finance funds, currently serves as the Chief Operating Officer of IDH Investment Management/IDH Farmfit Fund. She played a pivotal role in developing IDH as a front runner in public-private partnership since its early inception days in 2008. She was part of the founding team of the IDH Farmfit Fund, an EUR 100 mill de-risking blended finance fund that has the objective to demonstrate the viability of sustainable farmer financing by catalysing local and international co-investors through the strategic use of high-risk instruments, such as junior debt, mezzanine finance and equity. Her expertise extends to the intricacies of blended finance funds and building impact-driven frameworks on M&E and learning and on environmental and social risk management, as well as on the establishment of internal control and compliance frameworks both financial and operational. As the COO, Barbara holds a leadership position, overseeing and spearheading these areas of expertise.

#### **Stacy Hope, (appointed in June 2023)**

Stacy has more than 16 years' experience working as an International Development Specialist and Strategic Advisor on areas surrounding gender, natural resources, renewable energy, social impact investment, disaster risks and climate resilience, and large national and international infrastructure development projects across the commercial, public and multilateral sectors.

She is currently a partner at the world's largest sustainability consultancy firm, ERM, where she sits in the Political and Social Advisory Services team advising. In addition to her current role with ERM, Stacy sits on several boards, including as Chair for the Fair Cobalt Alliance, as a board member on the Editorial Board for The Geological Society's Earth Science, Systems and Society Journal, and as a Trustee for the Impact Facility. She is also on the advisory boards of the UTU Social Impact Investment Fund in Brasil where she focusses on the interface between large-scale mining investments and gender transformative community development aligned to the UN SDGs and ESG standards

#### **Statement of trustees' responsibilities**

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 group and of the incoming resources and application of resources of the group for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE PERIOD ENDED 31 DECEMBER 2022**

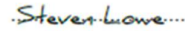
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The trustees' report was approved by the Board of Trustees.



.....  
Ms M Lempers  
**Trustee**

Date: .....21 Feb 2024...



Mr S Lowe  
**Trustee**

21 Feb 2024

# THE IMPACT FACILITY

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE IMPACT FACILITY

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### Opinion

We have audited the financial statements of The Impact Facility (the 'charity') and its subsidiary (the 'group') for the period ended 31 December 2023 which comprise the group statement of financial activities, the charity statement of financial activities, the group balance sheet, the charity balance sheet, the group statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, for the period 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 Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group 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 group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# THE IMPACT FACILITY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE IMPACT FACILITY

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### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees 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 group'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 cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

1. At the planning stage of the audit we gain an understanding of the laws and regulations which apply to the company and how the management seek to comply with those laws regulations. This helps us to plan appropriate risk assessments.
2. During the audit we focused on relevant risk areas and review the compliance with the laws and regulations by making relevant enquiries and undertaking corroboration, for example by reviewing Board Minutes and other documentation.
3. We assessed the risk of material misstatement in the financial statements including as a result of fraud and undertook procedures including:
  - a. Reviewing the controls set in place by management;
  - b. Making enquiries of management as to whether they consider fraud or other irregularity may have taken place, or where such opportunity might exist;
  - c. Challenging management assumptions with regard to accounting estimates; and
  - d. Identifying and testing journal entries, particularly those which appear to be unusual by size or nature.

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

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

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with section 144 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

# THE IMPACT FACILITY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE IMPACT FACILITY

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*Samantha Daniels*

**Samantha Daniels (Senior Statutory Auditor)  
for and on behalf of Shaw Gibbs (Audit) Limited**

.....21 Feb 2024.....

**Chartered Certified Accountants  
Statutory Auditor**

264 Banbury Road  
Oxford  
OX2 7DY

Shaw Gibbs Limited is eligible for appointment as auditor of the group by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# THE IMPACT FACILITY

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE PERIOD ENDED 31 DECEMBER 2022**

		Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
		31 December	31 December	31 December	31 March	31 March	31 March
		2022	2022	2022	2022	2022	2022
Notes		£	£	£	£	£	£
<b>Income from:</b>							
Donations and legacies	3	-	-	-	28	650	678
Charitable activities	4	133,511	1,245,206	1,378,717	171,600	865,491	1,037,091
<b>Total income</b>		<u>133,511</u>	<u>1,245,206</u>	<u>1,378,717</u>	<u>171,628</u>	<u>866,141</u>	<u>1,037,769</u>
Charitable activities	5	192,981	1,335,980	1,528,961	187,778	615,820	803,598
<b>Net income/(expenditure)</b>		<u>(59,470)</u>	<u>(90,774)</u>	<u>(150,244)</u>	<u>(16,150)</u>	<u>250,321</u>	<u>234,171</u>
<b>Other recognised gains and losses:</b>							
Other gains/(losses)	9	21,126	(137)	20,989	6,581	-	6,581
<b>Net movement in funds</b>		<u>(38,344)</u>	<u>(90,911)</u>	<u>(129,255)</u>	<u>(9,569)</u>	<u>250,321</u>	<u>240,752</u>
<b>Reconciliation of funds:</b>							
Fund balances at 1 April 2022		<u>(9,353)</u>	<u>332,649</u>	<u>323,296</u>	<u>216</u>	<u>82,328</u>	<u>82,544</u>
<b>Fund balances at 31 December 2022</b>		<u><u>(47,697)</u></u>	<u><u>241,738</u></u>	<u><u>194,041</u></u>	<u><u>(9,353)</u></u>	<u><u>332,649</u></u>	<u><u>323,296</u></u>

The statement of financial activities includes all gains and losses recognised in the period. All income and expenditure derive from continuing activities.

# THE IMPACT FACILITY

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE PERIOD ENDED 31 DECEMBER 2022**

		Unrestricted funds 31 December 2022 £	Restricted funds 31 December 2022 £	Total 31 December 2022 £	Unrestricted funds 31 March 2022 £	Restricted funds 31 March 2022 £	Total 31 March 2022 £
	Notes						
<b>Income from:</b>							
Donations and legacies	3	-	-	-	28	650	678
Charitable activities	4	133,511	1,245,206	1,378,717	171,600	865,491	1,037,091
<b>Total income</b>		<u>133,511</u>	<u>1,245,206</u>	<u>1,378,717</u>	<u>171,628</u>	<u>866,141</u>	<u>1,037,769</u>
<b>Expenditure on:</b>							
Charitable activities	6	192,981	1,332,999	1,525,980	187,778	615,820	803,598
<b>Net (expenditure)/income for the period/ Net (outgoing)/incoming resources</b>		(59,470)	(87,793)	(147,263)	(16,150)	250,321	234,171
<b>Other recognised gains and losses</b>							
Other gains or losses	9	21,126	(137)	20,989	6,581	-	6,581
<b>Net movement in funds</b>		<u>(38,344)</u>	<u>(87,930)</u>	<u>(126,274)</u>	<u>(9,569)</u>	<u>250,321</u>	<u>240,752</u>
Fund balances at 1 April 2022		(9,353)	332,649	323,296	216	82,328	82,544
<b>Fund balances at 31 December 2022</b>		<u>(47,697)</u>	<u>244,719</u>	<u>197,022</u>	<u>(9,353)</u>	<u>332,649</u>	<u>323,296</u>

The statement of financial activities includes all gains and losses recognised in the period. All income and expenditure derive from continuing activities.

# THE IMPACT FACILITY

## CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2022

		31 December 2022		31 March 2022	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14		22,427		12,945
<b>Current assets</b>					
Debtors	18	366,754		345,712	
Cash at bank and in hand		245,229		444,892	
		611,983		790,604	
<b>Creditors: amounts falling due within one year</b>	19	380,790		480,253	
Net current assets			231,193		310,351
<b>Total assets less current liabilities</b>			253,620		323,296
<b>Creditors: amounts falling due after more than one year</b>	21		(59,579)		-
<b>Net assets</b>			194,041		323,296
<b>The funds of the group</b>					
Restricted income funds	25	241,738		332,649	
Unrestricted funds		(47,697)		(9,353)	
		194,041		323,296	

The financial statements were approved by the trustees on .....21 Feb 2024.....

.....  
Ms M Lempers  
Trustee

.....  
Mr S Lowe  
Trustee

# THE IMPACT FACILITY

## CHARITY BALANCE SHEET

AS AT 31 DECEMBER 2022

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		31 December 2022		31 March 2022	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14		22,427		12,945
Investments	15		1		-
			<u>22,428</u>		<u>12,945</u>
<b>Current assets</b>					
Debtors		366,755		345,712	
Cash at bank and in hand		245,208		444,892	
		<u>611,963</u>		<u>790,604</u>	
<b>Creditors: amounts falling due within one year</b>	20	<u>(437,369)</u>		<u>(480,253)</u>	
Net current assets			174,594		310,351
<b>Total assets less current liabilities</b>			<u>197,022</u>		<u>323,296</u>
<b>Income funds</b>					
Restricted funds	26		244,719		332,649
Unrestricted funds			(47,697)		(9,353)
			<u>197,022</u>		<u>323,296</u>

The financial statements were approved by the Trustees on .....21 Feb 2024.....

.....  
Ms M Lempers  
Trustee

.....  
Mr S Lowe  
Trustee

# THE IMPACT FACILITY

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2022

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		31 December 2022		31 March 2022	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	32		(190,431)		290,092
<b>Investing activities</b>					
Purchase of tangible fixed assets		(15,982)		(6,885)	
Proceeds from/ (payment of) loans receivable		6,750		(306)	
<b>Net cash used in investing activities</b>			(9,232)		(7,191)
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(199,663)		282,901
Cash and cash equivalents at beginning of period			444,892		161,991
<b>Cash and cash equivalents at end of period</b>			245,229		444,892

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# THE IMPACT FACILITY

## CHARITY STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2022

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		31 December 2022		31 March 2022	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	33		(190,451)		290,092
<b>Investing activities</b>					
Purchase of tangible fixed assets		(15,983)		(6,885)	
Proceeds from/ (payment of) loans receivable		6,750		(306)	
<b>Net cash used in investing activities</b>			(9,233)		(7,191)
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(199,684)		282,901
Cash and cash equivalents at beginning of period			444,892		161,991
<b>Cash and cash equivalents at end of period</b>			245,208		444,892

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# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2022

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### 1 Accounting policies

#### Charity information

The Impact Facility is a charitable incorporated organisation registered in England and Wales. The registered office is Avening Park, West End, Avening, Tetbury, GL8 8NE.

#### 1.1 Reporting period

The Trustees have elected to change the current reporting date to 31 December 2022 to align with fellow group companies. As a result the current period is for the 9 months from 1 April 2022 to 31 December 2022 which is not directly comparable with the comparative 12 months ended 31 March 2022.

#### 1.2 Accounting convention

The financial statements have been prepared in accordance with the group's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The group is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.3 Going concern

The financial statements have been prepared on a going concern basis. Cash flow forecasts have been prepared for a period of at least twelve months from the date of approval of the financial statements. These forecasts consider and analyse any risks that might affect the charity's resources or ability to continue operations. The forecasts take into consideration the challenging economic environment and its potential impact on income and expenditure.

We consider it possible to offset any potential income shortfalls with a reduction in expenditure. Our reserves policy states that we should hold sufficient reserves to ensure that our work is protected from the risk of disruption at short notice due to a lack of funds, whilst at the same time ensuring that we do not retain income for longer than required.

Our unrestricted reserves are currently in deficit, but continuing support from TDi Sustainability and confidence in our fundraising, will reduce this deficit and are committed to rebuilding our reserves to a level that allows us to invest for the future growth and development of the organisation.

We monitor performance, cashflow, and forecasts on a regular basis and manage our finances according to the analysis of this position. The trustees have therefore concluded there is a reasonable expectation that the Charity has adequate resources to continue in operation for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

#### 1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

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### 1 Accounting policies (Continued)

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.5 Income

Income is recognised when the group is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the group has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the group has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

#### 1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is included in the SOFA on an accrual basis.

#### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	3 years straight line
Motor vehicles	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.8 Impairment of fixed assets

At each reporting end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

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### 1 Accounting policies (Continued)

#### 1.10 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.13 Leases

Where the Charity acts as a lessor, amounts due from lessees under finance leases are recognised as debtors at the present value, where material on leases in excess of 2 years duration, of the future minimum lease payments plus any unguaranteed residual value (the "net investment in the lease") plus incremental costs of negotiating and arranging the lease. Finance income from assets leased under a finance lease is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment in the lease.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

### 1 Accounting policies (Continued)

#### 1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Critical accounting estimates and judgements

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

### 3 Income from donations and legacies - Charity and consolidated

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	31 December	31 December	31 December	31 March	31 March	31 March
	2022	2022	2022	2022	2022	2022
	£	£	£	£	£	£
Donations and gifts	-	-	-	28	650	678

### 4 Income from charitable activities - Charity and consolidated

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	31 December	31 December	31 December	31 March	31 March	31 March
	2022	2022	2022	2022	2022	2022
	£	£	£	£	£	£
<b>Education</b>						
Consultancy	133,511	1,204,136	1,337,647	171,600	865,491	1,037,091
<b>Equipment leasing</b>						
Consultancy	-	36,008	36,008	-	-	-
Lease interest	-	5,062	5,062	-	-	-
	<u>133,511</u>	<u>1,245,206</u>	<u>1,378,717</u>	<u>171,600</u>	<u>865,491</u>	<u>1,037,091</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

### 5 Expenditure on charitable activities - Consolidated

	Education 31 December 2022 £	Equipment leasing 31 December 2022 £	Total 31 December 2022 £	Education 31 March 2022 £
<b>Direct costs</b>				
Staff costs	190,340	-	190,340	161,248
Depreciation and impairment	6,500	-	6,500	4,461
Consultancy	904,469	36,008	940,477	242,771
Travel and subsistence	82,799	-	82,799	55,149
Insurance	-	3,111	3,111	-
Project equipment	980	-	980	1,550
Website and marketing	2,689	-	2,689	69,982
Education and training	1,663	-	1,663	5,059
General expenses	36,899	3,407	40,306	31,753
Legal expenses	4,210	-	4,210	19,303
Premises expenses	25,324	-	25,324	17,163
Payroll services	17,702	-	17,702	8,175
	<u>1,273,575</u>	<u>42,526</u>	<u>1,316,101</u>	<u>616,614</u>
<b>Share of support and governance costs (see note 7)</b>				
Support	178,871	1,912	180,783	163,131
Governance	29,077	3,000	32,077	23,853
	<u>1,481,523</u>	<u>47,438</u>	<u>1,528,961</u>	<u>803,598</u>
<b>Analysis by fund</b>				
Unrestricted funds	192,981	-	192,981	187,778
Restricted funds	1,288,542	47,438	1,335,980	615,820
	<u>1,481,523</u>	<u>47,438</u>	<u>1,528,961</u>	<u>803,598</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

### 6 Expenditure on charitable activities - Charity

	Education December 2022 £	Equipment leasing December 2022 £	Total December 2022 £	Education March 2022 £	Total March 2022 £
<b>Direct costs</b>					
Staff costs	190,340	-	190,340	161,248	161,248
Depreciation and impairment	6,500	-	6,500	4,461	4,461
Consultancy	904,469	36,008	940,477	242,771	242,771
Travel and subsistence	82,799	-	82,799	55,149	55,149
Insurance	-	3,111	3,111	-	-
Interest payable	-	1,931	1,931	-	-
Project equipment	980	-	980	1,550	1,550
Website and marketing	2,689	-	2,689	69,982	69,982
Education and training	1,663	-	1,663	5,059	5,059
General expenses	36,899	3,407	40,306	31,753	31,753
Legal expenses	4,210	-	4,210	19,303	19,303
Premises expenses	25,324	-	25,324	17,163	17,163
Payroll services	17,702	-	17,702	8,175	8,175
	<u>1,273,575</u>	<u>44,457</u>	<u>1,318,032</u>	<u>616,614</u>	<u>616,614</u>
<b>Share of support and governance costs (see note 8)</b>					
Support	178,871	-	178,871	163,131	163,131
Governance	29,077	-	29,077	23,853	23,853
	<u>1,481,523</u>	<u>44,457</u>	<u>1,525,980</u>	<u>803,598</u>	<u>803,598</u>
<b>Analysis by fund</b>					
Unrestricted funds	192,981	-	192,981	187,778	187,778
Restricted funds	1,288,542	44,457	1,332,999	615,820	615,820
	<u>1,481,523</u>	<u>44,457</u>	<u>1,525,980</u>	<u>803,598</u>	<u>803,598</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

### 7 Support costs allocated to activities - Consolidated

	<b>31 December 2022 £</b>	<b>31 March 2022 £</b>
Staff costs	17,753	50,376
Website development	1,428	5,484
IT software and consumables	278	394
Travel and subsistence	5,103	450
Insurance	-	1,070
Freelance workers	150,247	103,627
Payroll services	205	667
General expenses	5,769	1,063
Governance costs	32,077	23,853
	<u>212,860</u>	<u>186,984</u>
<b>Analysed between:</b>		
Education	207,948	186,984
Equipment leasing	4,912	-
	<u>212,860</u>	<u>186,984</u>
	<b>31 December 2022 £</b>	<b>31 March 2022 £</b>
<b>Governance costs comprise:</b>		
Audit fees	12,400	9,000
Accountancy	15,011	10,957
Legal and professional	4,666	3,896
	<u>32,077</u>	<u>23,853</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

### 8 Support costs allocated to activities - Charity

	31 December 2022 £	31 March 2022 £
Staff costs	17,753	50,376
Website development	1,428	5,484
IT software and consumables	278	394
Travel and subsistence	5,103	450
Insurance	-	1,070
Freelance workers	150,247	103,627
Payroll services	205	667
General expenses	3,857	1,063
Governance costs	29,077	23,853
	<u>207,948</u>	<u>186,984</u>
<b>Analysed between:</b>		
Education	<u>207,948</u>	<u>186,984</u>

	31 December 2022 £	31 March 2022 £
<b>Governance costs comprise:</b>		
Audit fees	12,400	9,000
Accountancy	12,011	10,957
Legal and professional	4,666	3,896
	<u>29,077</u>	<u>23,853</u>

### 9 Other gains and losses

	Unrestricted funds 31 December 2022 £	Restricted funds 31 December 2022 £	Total 31 December 2022 £	Unrestricted funds 31 March 2022 £	Restricted funds 31 March 2022 £	Total 31 March 2022 £
Gains/(losses) upon:						
Foreign exchange	<u>(21,126)</u>	<u>137</u>	<u>(20,989)</u>	<u>(6,581)</u>	<u>-</u>	<u>(6,581)</u>

### 10 Trustees

During the period one Trustee (Dr A Carter) received remuneration of £Nil for employment (March 2022: £36,667), with Employers Pension benefit of Nil (March 2022: £881) and Employers National Insurance of Nil (March 2022: £4,246). Expenses reimbursed to the Trustees amounted to £Nil (2021: £Nil) during the year.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

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### 11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 12 Auditor's remuneration

	<b>31 December 2022</b>	<b>31 March 2022</b>
	<b>£</b>	<b>£</b>
Fees payable to the charity's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the charity	12,400	9,000
	<u>12,400</u>	<u>9,000</u>

### 13 Employees - Charity and consolidated

The average monthly number of employees during the period was:

	<b>31 December 2022</b>	<b>31 March 2022</b>
	<b>Number</b>	<b>Number</b>
	8	3
	<u>8</u>	<u>3</u>
	<b>31 December 2022</b>	<b>31 March 2022</b>
	<b>£</b>	<b>£</b>
<b>Employment costs</b>		
Wages and salaries	189,663	187,623
Social security costs	12,420	20,197
Other pension costs	6,010	3,804
	<u>208,093</u>	<u>211,624</u>

There were no employees whose annual remuneration was more than £60,000.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

### 14 Tangible fixed assets - Charity and consolidated

	Computers	Motor vehicles	Total
	£	£	£
<b>Cost</b>			
At 1 April 2022	11,703	7,330	19,033
Additions	2,888	13,095	15,983
At 31 December 2022	14,591	20,425	35,016
<b>Depreciation and impairment</b>			
At 1 April 2022	2,651	3,437	6,088
Depreciation charged in the period	3,213	3,288	6,501
At 31 December 2022	5,864	6,725	12,589
<b>Carrying amount</b>			
At 31 December 2022	8,727	13,700	22,427
At 31 March 2022	9,052	3,893	12,945

### 15 Fixed asset investments - Charity

	Unlisted investments
	£
<b>Cost or valuation</b>	
At 1 April 2022	-
Valuation changes	1
At 31 December 2022	1
<b>Carrying amount</b>	
At 31 December 2022	1
At 31 March 2022	-

### 16 Subsidiaries

Details of the group's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Impact Capital Ltd	Avening Park West End, Avening Tetbury, England, GL8 8NE	Fair trading company	Ordinary	100.00	

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

### 17 Finance lease receivables - Consolidated and charity

	31 December 2022 £	31 March 2022 £
Gross amounts receivable under finance leases:		
Within one year	33,907	-
Within two and five years	16,688	-
	<u>50,595</u>	<u>-</u>
Present value of minimum lease payments receivable	<u>50,595</u>	<u>-</u>
The present value is receivable as follows:		
Within one year	<u>33,907</u>	<u>-</u>

#### Analysis of finance leases

Finance lease receivables are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	31 December 2022 £	31 March 2022 £
Current assets	<u>33,907</u>	<u>-</u>

The group enters into financial leasing arrangements for mining equipment. The average term of finance leases entered into is between 1-2 years.

### 18 Debtors - Charity and consolidated

	31 December 2022 £	31 March 2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	314,259	119,731
Finance leases receivable	33,907	-
Other debtors	1,899	7,839
Prepayments and accrued income	-	218,142
	<u>350,065</u>	<u>345,712</u>
<b>Amounts falling due after more than one year:</b>		
Other debtors	<u>16,689</u>	<u>-</u>
<b>Total debtors</b>	<u>366,754</u>	<u>345,712</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

### 19 Creditors: amounts falling due within one year - Consolidated

	Notes	31 December 2022 £	31 March 2022 £
Other taxation and social security		1,343	-
Deferred income	22	-	255,000
Trade creditors		274,862	209,723
Other creditors		1,358	3,230
Accruals and deferred income		103,227	12,300
		<u>380,790</u>	<u>480,253</u>

### 20 Creditors: amounts falling due within one year - Charity

	Notes	31 December 2022 £	31 March 2022 £
Other taxation and social security		1,343	-
Deferred income	22	-	255,000
Trade creditors		274,862	209,723
Amounts owed to subsidiary undertakings		59,579	-
Other creditors		1,358	3,230
Accruals and deferred income		100,227	12,300
		<u>437,369</u>	<u>480,253</u>

### 21 Creditors: amounts falling due after more than one year - Consolidated

	31 December 2022 £	31 March 2022 £
Other creditors	59,579	-
	<u>59,579</u>	<u>-</u>

### 22 Deferred income - Charity and consolidated

	31 December 2022 £	31 March 2022 £
Other deferred income	-	255,000
	<u>-</u>	<u>255,000</u>

Deferred income is included in the financial statements as follows:

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

### 22 Deferred income - Charity and consolidated

(Continued)

	31 December 2022 £	31 March 2022 £
Deferred income is included within:		
Current liabilities	-	255,000
Movements in the period:		
Deferred income at 1 April 2022	255,000	-
Released from previous periods	(255,000)	-
Resources deferred in the period	-	255,000
Deferred income at 31 December 2022	-	255,000

### 23 Unrestricted funds - Consolidated

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2022 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 December 2022 £
General funds	(9,353)	133,511	(192,981)	21,126	(47,697)
<b>Previous year:</b>	<b>At 1 April 2021 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Gains and losses £</b>	<b>At 31 March 2022 £</b>
General funds	216	171,628	(187,778)	6,581	(9,353)

### 24 Unrestricted funds - Charity

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2022 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 December 2022 £
General funds	(9,353)	133,511	(192,981)	21,126	(47,697)

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

### 24 Unrestricted funds - Charity (Continued)

Previous year:	At 1 April 2021	Incoming resources	Resources expended	Gains and losses	At 31 March 2022
	£	£	£	£	£
General funds	216	171,628	(187,778)	6,581	(9,353)

### 25 Restricted funds - Consolidated

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2022	Incoming resources	Resources expended	Gains and losses	At 31 December 2022
	£	£	£	£	£
FCA	308,525	599,917	(651,494)	(137)	256,811
LME	-	473,426	(515,174)	-	(41,748)
Gold	24,124	130,793	(121,873)	-	33,044
TES	-	41,070	(47,439)	-	(6,369)
	<u>332,649</u>	<u>1,245,206</u>	<u>(1,335,980)</u>	<u>(137)</u>	<u>241,738</u>

Previous year:	At 1 April 2021	Incoming resources	Resources expended	Gains and losses	At 31 March 2022
	£	£	£	£	£
FCA	109,256	694,579	(495,310)	-	308,525
Gold	(26,928)	171,562	(120,510)	-	24,124
	<u>82,328</u>	<u>866,141</u>	<u>(615,820)</u>	<u>-</u>	<u>332,649</u>

### 26 Restricted funds - Charity

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2022	Incoming resources	Resources expended	Gains and losses	At 31 December 2022
	£	£	£	£	£
FCA	308,525	599,917	(651,494)	(137)	256,811
LME	-	473,426	(515,174)	-	(41,748)
Gold	24,124	130,793	(121,873)	-	33,044
TES	-	41,070	(44,458)	-	(3,388)
	<u>332,649</u>	<u>1,245,206</u>	<u>(1,332,999)</u>	<u>(137)</u>	<u>244,719</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

### 26 Restricted funds - Charity (Continued)

Previous year:	At 1 April 2021 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2022 £
FCA	109,256	694,579	(495,310)	-	308,525
Gold	(26,928)	171,562	(120,510)	-	24,124
	<u>82,328</u>	<u>866,141</u>	<u>(615,820)</u>	<u>-</u>	<u>332,649</u>

### 27 Analysis of net assets between funds - Consolidated

	Unrestricted funds 31 December 2022 £	Restricted funds 31 December 2022 £	Total 31 December 2022 £
<b>Fund balances at 31 December 2022 are represented by:</b>			
Tangible assets	2,362	20,065	22,427
Current assets/(liabilities)	9,520	221,673	231,193
Long term liabilities	(59,579)	-	(59,579)
	<u>(47,697)</u>	<u>241,738</u>	<u>194,041</u>
	<u><u>(47,697)</u></u>	<u><u>241,738</u></u>	<u><u>194,041</u></u>
	<b>Unrestricted funds 31 March 2022 £</b>	<b>Restricted funds 31 March 2022 £</b>	<b>Total 31 March 2022 £</b>
<b>Fund balances at 31 March 2022 are represented by:</b>			
Tangible assets	688	12,257	12,945
Current assets/(liabilities)	(10,041)	320,392	310,351
	<u>(9,353)</u>	<u>332,649</u>	<u>323,296</u>
	<u><u>(9,353)</u></u>	<u><u>332,649</u></u>	<u><u>323,296</u></u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

### 28 Analysis of net assets between funds - Charity

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	31 December 2022	31 December 2022	31 December 2022	31 March 2022	31 March 2022
	£	£	£	£	£
Fund balances at 31 December 2022 are represented by:					
Tangible assets	2,362	20,065	22,427	688	12,945
Investments	1	-	1	-	-
Current assets/(liabilities)	(45,148)	219,742	174,594	(10,041)	310,351
	<u>(42,785)</u>	<u>239,807</u>	<u>197,022</u>	<u>(9,353)</u>	<u>323,296</u>

### 29 Operating lease commitments - Charity and consolidated

#### Lessee

Lease payments are recognised as an expense in the period of £3,410 (year to 31 March 2022: £5,067). At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	31 December 2022	31 March 2022
	£	£
Within one year	22,184	5,527
Between two and five years	9,853	10,594
	<u>32,037</u>	<u>16,121</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

### 30 Related party transactions

#### Income

This year, the charity has received charitable activities income of £104,543 (year to 31 March 2022: £16,972) from Fairphone for a joint project. Fairphone is an organisation which has a common trustee with The Impact Facility.

The charity received income of £33,030 (year to 31 March 2022: £66,147) from TDi Sustainability which is the trading name of a company under the control of a Trustee of The Impact Facility.

Charitable activities income of £34,175 (year to 31 March 2022: £30,659) was received from Solidaridad Nederland which is one of The Impact Facility's project partners.

Included in other debtors at the period end is £18,978 (year to 31 March 2022: £24,385) owed from TDi Sustainability.

Included in other debtors at the period end is £99 (year to 31 March 2022: £100) owed by Impact Capital Ltd.

#### Expenditure

During the year The Impact Facility was invoiced £160,962 for administrative services by TDi Sustainability, a company in which a trustee has a material interest. At the balance sheet date TDi is owed £214,293 (year to 31 March 2022: £160,970) and this is included in other creditors.

Included in other creditors at the period end is £59,579.48 (year to 31 March 2022: £Nil) owed to Impact Capital Ltd.

During the year accountancy fees of £1,680 (year to 31 March 2022: £157) were paid to a firm, at which one of its partners is also a trustee of The Impact Facility.

### 31 Analysis of changes in net funds

The group had no material debt during the year.

	31 December 2022 £	31 March 2022 £
<b>32 Cash generated from operations - Consolidated</b>		
(Deficit)/surplus for the period	(150,244)	234,171
Adjustments for:		
Foreign exchange differences	20,989	6,581
Depreciation and impairment of tangible fixed assets	6,500	4,461
Movements in working capital:		
(Increase) in debtors	(27,792)	(337,045)
Increase in creditors	215,116	126,924
(Decrease)/increase in deferred income	(255,000)	255,000
<b>Cash (absorbed by)/generated from operations</b>	<b>(190,431)</b>	<b>290,092</b>
	<b>31 December</b>	<b>31 March</b>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2022

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	31 December	(Continued) 31 March
<b>33 Cash generated from operations - Charity</b>	<b>2022</b>	<b>2022</b>
	£	£
(Deficit)/surplus for the period	(147,263)	234,171
Adjustments for:		
Foreign exchange differences	20,989	6,581
Depreciation and impairment of tangible fixed assets	6,500	4,461
Movements in working capital:		
(Increase) in debtors	(27,793)	(337,045)
Increase in creditors	212,116	126,924
(Decrease)/increase in deferred income	(255,000)	255,000
<b>Cash (absorbed by)/generated from operations</b>	<b>(190,451)</b>	<b>290,092</b>

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**THE IMPACT FACILITY**

England & Wales - Charity number 1181077

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# Accounts

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Charity Registration No. 1181077

**THE IMPACT FACILITY**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

# THE IMPACT FACILITY

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Ms C Neefs Ms M Lempers Dr Assheton Carter PHD Ms P Singo Mr S Lowe	(Appointed 21 July 2021) (Appointed 1 June 2022)
<b>Charity number</b>	1181077	
<b>Principal address</b>	Avening Park West End Tetbury Gloucestershire GL8 8NE	
<b>Auditor</b>	Shaw Gibbs (Audit) Limited 264 Banbury Road Oxford Oxfordshire OX2 7DY	

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# THE IMPACT FACILITY

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# THE IMPACT FACILITY

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 MARCH 2022

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The Trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, 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) (effective 1 January 2019)".

#### Objectives and activities

The Impact Facility exists for the public benefit regarding:

1. The promotion of sustainable development for the benefit of communities and landscapes surrounding mining communities in developing nations and countries in transition. The Impact Facility will contribute through:

- a) the preservation, conservation and the protection of the environment and the prudent use of natural resources, with a particular focus on mined resources.
- b) the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged mining communities, in developing nations and transitioning countries.
- c) the enabling of sustainable means of achieving economic growth and regeneration.

In this context sustainable development is defined as, "development which meets the needs of the present without compromising the ability of future generations to meet their own needs".

Nothing in this constitution shall authorise an application of the property of the CIO for the purposes which are not charitable in accordance with section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and section 2 of the Charities Act (Northern Ireland) 2008.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. For more information on the CIO see section 5.

#### Achievements and performance

Key achievements of the Impact facility have revolved around two core programs: The Fair Cobalt Alliance and programmes implemented to improve gold mining communities in the Lake Victoria Gold region.

In 2022, a key achievement of the Impact Facility was to grow the Fair Fair Cobalt Alliance (FCA), and initiative managed by the Impact Facility that started in 2020 but only became fully operational in 2021.

The FCA is a multi-stakeholder initiative, supported by the Dutch government, and includes participants from the global cobalt supply chain collaborating to address complex developmental issues around the artisanal production of cobalt in the DRC. The FCA was founded by Fairphone, Signify, Glencore and The Impact Facility (TIF) and supported by members including Tesla, The Cobalt Institute and others (for a full overview of members, see <https://www.faircobaltalliance.org/supply-chain-wide-collaboration/our-members/>). The number of members grew in this financial year to 21 members, among which Google, Safe Supply Chain Solutions and Sushi Bikes. TIF has established a local team working on the different objectives and activities as outlined below.

In this year, a comprehensive strategy for the FCA up till 2025 was formulated, outlining the key strategic areas of the Fair Cobalt Alliance interventions and objectives. These 'workstreams' are comprised of the following:

- 1. Mine site expansion and legalization support
- 2. Enabling safe and dignified working conditions
- 3. Child labour remediation
- 4. Raising workers incomes
- 5. Achieving market acceptance for fair cobalt

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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The FCA initiated multiple critical activities in and around the artisanal cobalt mining sector. To enable safer working conditions in the artisanal mining sector, health and safety awareness campaigns were implemented as well as personal protective equipment distributed in cooperation with the artisanal mine sites, mainly to protect women working in mine sites. Around 75 safety captains were trained to spread knowledge on first aid throughout the mine site, and a mine planning review was conducted to mitigate against structural risks underground.

In collaboration with our partners Save the Children and the Centre for Children's rights and businesses, the development of the child labour referral system started, as well the training of local partners for the effective remediation of children from artisanal mine sites. After experiencing significant covid-related supply chain challenges, the Signify electrification project aimed to benefit the children in the local community has taken shape in 7 schools. The schools have so far been able to receive the installation of the first solar panels with the first classrooms equipped with solar-generated electricity and LED lights, benefiting 5788 pupils.

A separate programme, funded by the London Metal Exchange, started implementation. The programme aims to have a positive effect on the reduction of child labour and increase enrollment rates of children into schools, by rehabilitating and reconstructing schools in the Kapata neighbourhood. This programme started preparatory work in this year, by selecting the different schools and the desired improvement projects in collaboration with the local authorities, schools and parents and children.

Furthermore, in partnership with a local NGO, Association for Action (A.F.A) a programme was implemented aimed at raising the financial literacy and resilience of the local mining community. In alignment with local Congolese Authorities, A.F.A set up 14 savings groups reaching as many as 350 mining community members. The groups convene on a weekly basis for the financial management of their joint savings, the social emergency fund, and also to receive training on financial accounting, small-scale entrepreneurship, and alike.

In addition to saving and financial literacy training, the project also granted loans to 63 saving group members, 40 of whom were women and 23 men, for a total amount of 7,490,000 CFA or 3445 USD. The members of the savings groups have received loans to (restart) income-generating activities, to support school fees, the construction of houses as well as other expenses.

Relations with the government were strengthened through visits of the team in the end of 2021 and beginning of 2022 as well as to expand our partnership network with relevant government institutions.

The FCA published its first annual report until 2021, that is available here: <https://www.faircobaltalliance.org/wp-content/uploads/2022/03/2021-Impact-and-Finance-Report.pdf>

In 2021 FCA was featured in over 30 articles, podcasts and / or interviews, including:

- swissinfo, September 15, 2021, "Commodity giants race to clean up mineral supply chains amid green energy boom", <https://www.swissinfo.ch/eng/commodity-giants-race-to-clean-up-mineral-supply-chains-amid-green-energy-boom/46944260>
- Mining Review Africa, Dec 2021, "Save the Children joins Fair Cobalt Alliance to strengthen child rights", <https://www.miningreview.com/battery-metals/save-the-children-joins-fair-cobalt-alliance-to-strengthen-child-rights/>
- Mining Magazine, Nov 2021, "Freyr Battery joins FCA to boost DRC mining", <https://www.miningmagazine.com/underground-mining/news/1422059/freyrbattery-joins-fca-to-boost-drc-mining>
- Storage Magazine, Dec 2021, Fair Cobalt Alliance: 'Banning Congolese cobalt from batteries is not the solution [Dutch]', <https://solarmagazine.nl/smart-storage/i26062/fair-cobalt-alliance-congoleses-kobalt-uit-batterijen-verbannen-is-niet-de-oplossing>

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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• Mining and Business, Sep 2021, The Fair Cobalt Alliance, [French], <https://miningandbusiness.com/2021/09/06/lalliance-du-cobalt-equitable/>

• Reuters, Dec 2021, "Fairphone finds market for responsibly sourced mobiles", <https://www.reuters.com/markets/commodities/fairphone-finds-market-responsibly-sourced-mobiles-2021-12-03/>

Secondly, the gold programme centered around the Lake Victoria region, continued and expanded. In 2021 funding by the European Partnership of Responsible Minerals (EPRM) was granted to continue and grow operations in Kenya and Uganda to improve the social, environmental and business performance of artisanal gold mine sites. Also, funding was awarded for the first phase of a programme to improve the ASM sector in Tanzania, led by our partner Solidaridad, was awarded and implementation concluded. And lastly, in 2021, an additional funding commitment of Genesis Charitable Trust was established for a four year period, to facilitate the provision of equipment to artisanal and small-scale gold mine sites in the Lake Victoria region. Additionally, an impact investor was onboarded to enable the provision of equipment to ASM gold mine sites.

These coordinated projects have the goal of enabling miners to access professional mining equipment, technical assistance and markets, and are based on the thesis that through accessing these resources ASM operators' can become truly viable, enduring producers. In both programmes, a key component is to enhance the social and environmental performance of ASGM operators. This approach is transformative from a social point of view, as ASM operators follow an enabled path to adopting safer mining practices and creating decent working conditions, facilitated through the technical support of the TIF team and partner organizations following our continuous improvement framework. It leverages donor support and demonstrates the power of blended finance and impact investing through the tangible benefits experienced by mining communities.

Key activities that were implemented during this financial year include the development of a mine site and stakeholder engagement plan for Uganda and Kenya identifying key stakeholders such as artisanal mining organizations and government institutions to help reach a significant number of ASM gold mines in identified regions. Because of COVID travel restrictions, this plan was updated in Q2. Stakeholders identified and engaged in our outreach efforts include outreach to relevant mining ministries, mining associations, service providers and local and international NGOs.

A total of 26 mining organizations were reached out of which 15 mines showed genuine interest to partner with TIF. These are in addition to the 10-15 mines in Tanzania.

To ensure social and environmental improvements of the mine sites TIF partners with ASM sites are assessed to understand their current social and environmental performance as well as determine their equipment needs. TIF conducted 6 mine assessments in Kenya, and through our partnership with Solidaridad, 10 mines in Tanzania have been assessed. From these assessments, continuous improvement plans have and will continue to be developed to accompany access to equipment. Lastly, together with Solidaridad, a training handbook for health and safety is being developed to guide OHS trainings at mine sites in Kenya, Uganda and Tanzania.

To facilitate mines to access equipment, a network of service providers was created of over 20 suppliers across Kenya and Tanzania, including the relevant supplier assessment tools. The supply of equipment to 3 mines was approved and equipment installation, expected to improve their production volumes and practices.

Separately, other activities were geared towards the engagement of supply chain actors into the ASM sectors. Key achievements were the initial development of a supply chain mechanism to provide ASM mines with access to fair markets in collaboration with partners.

A separate smaller program, focusing on researching barriers to establishing economically viable, practical routes to accessing formal markets, for responsibly produced ASGM gold, was initiated with the Natural Resources Defense Council (NRDC). This research programme can further provide TIF with insights to establish direct supply chain connections.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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Several communication materials have been published around our gold program implementation, including the following blogs and publications:

\* NRDC report, Overcoming Practical Barriers for Integrating Responsible Artisanal and Small-Scale Mined Gold into International Supply Chains. <https://www.theimpactfacility.com/wp-content/uploads/2022/09/Overcoming-Practical-Barriers-for-Integrating-Responsible-Artisanal-Small-Scale-Mined-Gold-into-Intl-Supply-Chains-1.pdf>

\* Demystifying Record Keeping in ASM  
<https://www.theimpactfacility.com/demystifying-record-keeping-in-asm/Kenya-Roundtable-Events> -

\* Bargain for green energy investment; miners' recruitment beyond borders – Mubende case study <https://www.theimpactfacility.com/bargain-for-green-energy-investment-miners-recruitment-beyond-borders-mubende-case-study/>

#### Financial review

In this third year of operations the charity successfully grew the Fair Cobalt Alliance as well as gold programmes. Furthermore, a study was initiated, expected to be completed by the end of 2022, of a potential new programme. Additional corporate members joined the Fair Cobalt Alliance, increasing the funding base and the margin available to cover overheads costs. In December funding was won to continue TIFs programs in the Lake Victoria Gold Region (LVGP), through funding from the EPRM for work in Kenya and Uganda, and through our strategic partners Solidaridad, to continue work in Tanzania, funded by the RVO. Additional funding was committed and received from Genesis Charitable trust to continue and expand our programmes in Kenya and Tanzania.

No formal reserves policy had been written by the end of the financial year.

#### Future Plans

In 2022 and beyond, the focus will be on growing the work on gold and cobalt and ensuring impact in the mining communities we currently work with, with a growing FCA membership base, as well as reaching additional institutional and corporate donors for our Lake Victoria programme.

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### Structure, governance and management

The trustees who have served for the charity in and following the year to 31 March 2022 are:

Ms C Neefs	
Ms M Lempers	
D Finlay	(Resigned 3 June 2022)
Dr Assheton Carter PHD	
Ms S Field	(Resigned 23 December 2021)
Ms P Singo	(Appointed 21 July 2021)
Mr S Lowe	(Appointed 1 June 2022)

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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### **Structure:**

The Impact Facility has been established as a Charitable Incorporated Organisation (CIO) registered under the laws of England and Wales. The Impact Facility's Registered Office is located in Avening Park, Tetbury, Gloucestershire England.

The Impact Facility has established a fully owned trading subsidiary, Impact Capital (ICL), registered as a company limited by shares in the UK. This trading subsidiary is able to receive third party investments and to facilitate investments into mining communities.

The Impact Facility legal advisors are Virginia Henley of Harrison Clark Rickerbys Limited, Oliver Hunt of the Charity & Social Enterprise Department of Bates Wells Braithwaite, Oliver Rochman and Dom Rothbarth of Morrison and Foerster and HCR Hewitsons. Bespoke Accountants provides accounting services. The Impact Facility holds its bank account with Lloyds bank.

The financial year of The Impact Facility is 1st April to 31st March each year.

### **Governance:**

The Impact Facility is governed by the Impact Facility Constitution. In line with UK Government requirements for CIOs The Impact Facility has a constitution including provisions to ensure The Impact Facility complies with the UK Charities 2011 Act and the General Regulations. In line with UK government guidelines for CIO's The Impact Facility follows its Charitable purpose. This includes the commitment to promote sustainable development defined as "development which meets the needs of the present without compromising the ability of future generations to meet their own needs".

### **Management:**

The Impact Facility's Trustees have appointed an organization, TDi Sustainability (TDI), to provide management and support services. This includes general management services, financial management and HR services.

The Impact Facility's group of Trustees will comprise of a minimum of two independent members, committed to the mission of the Facility responsible for oversight of the (investment) strategy and ultimate control over the management of The Impact Facility. These trustees will act on a voluntary basis, be independent of TDi , and have no personal connections with the work of The Impact Facility manager. The Impact Facility manager will report to the Trustees as per the requirements of a CIO. The trustees will be the only company members of The Impact Facility and thus they will have control over any constitutional changes. In essence, the company members have equivalent powers to shareholders in a for-profit company, but do not have any personal financial interests and so do not receive shares or dividends.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### **Trustees of The Impact Facility:**

The board of trustees are passionate about the work The Impact Facility does, with the skills and experience to make sure it is done effectively and true to the charity's core values and principles.

#### **Assheton Stewart Carter, TDi Sustainability**

Pioneering executive, consultant and NED on responsible sourcing, environmental markets, non-financial risk, and responsible investment in international and emerging markets. A track record of 25 years with a focus on the resource sector – mining (especially artisanal and small-scale mining) and forest-based carbon markets (REDD +) – and international supply chains – jewellery, luxury and auto and electronics OEM. Director of TDi, a sustainability advisory platform and incubator providing business development, risk management and programme and asset management services; he chairs and serves on a number of boards and expert panels for standard-setting organizations, NGOs and private companies. Dr Carter is an expert on corporate voluntary standard-setting and certification schemes, value-chain development from mine to market, and a gold industry expert.

#### **Monique Lempers, Fairphone**

Monique loves to connect different worlds to make an impact in the field of sustainability. She's inspired by working with positive, energetic people who are motivated by more than financial gain. In her role as Impact Innovation Director at Fairphone, she oversees the team responsible for ensuring Fairphones. Thought Leadership on driving impact towards a fairer industry is held high and embedded strongly in the company. Monique's sustainability experience spans more than 18 years. She has played a crucial role in scaling Fairphone through MT membership and former roles of Commercial and Value Chain. Before joining Fairphone, in the Sustainable Trade Initiative (IDH) Monique was leading large pre-competitive transformation programs in the Electronics, Mining and Textile supply chains with key industry players and NGOs, such as Apple, Philips, Levis, Tata Steel, Good Electronics and Friends of the Earth. These programs focused on building sustainable workforces by improving employee representation and dialogue with management, higher environmental performance in the supply chain and minimizing negative impact of mining. Prior to that, Monique worked as a Senior Advisor in Sustainability and Ethical Sourcing at PwC and researcher/project manager in the NGO human rights field.

#### **David Finlay, Fairtrade**

David has over a decades experience of forming and managing partnerships with institutional donors in support of innovative rural livelihoods programmes in both the agricultural and mining sectors. In the last four years, David has raised finance for programmes in particular supporting artisanal and small-scale gold mines in East Africa, in partnership with The Impact Facility. For the last two years, David has led Fairtrade gold at a category level; managing relationships with commercial partners using Fairtrade gold along the supply chain including refiners, manufacturers and end users of gold.

#### **Carla Neefs, Solidaridad**

Carla Neefs is a senior corporate engagement manager with Solidaridad. She works closely with midstream and downstream companies to build responsible supply chains for artisanal and small-scale gold. Prior to joining Solidaridad, she was director of Supplier Sustainability with Signify (former Philips Lighting), where she led the strategy and implementation of programs towards a responsible supply chain including the conflict minerals and responsible cobalt sourcing program. Before that, Carla was a sustainability consultant with Ernst & Young, specialized in sustainability strategy and sustainable supply chains. At the start of her career, she was employed by governmental agencies and not for profit organizations, as a specialist in sustainability.

#### **Patience Singo, ASM expert**

Patience Singo is Project Manager for Rwenzori Rare Metals, an exploration and mining company in Uganda. A mining engineer by profession he has more than 25 years in the mining sector with several years supporting and implementing projects on artisanal mining formalization and professionalization in several countries in Africa, Asia, Latin America and the Caribbeans. His experience includes advising governments, private sector, development agencies and communities on policy and governance, environmental management and sustainable development related to mining.

# THE IMPACT FACILITY

## TRUSTEES' REPORT (CONTINUED)


**FOR THE YEAR ENDED 31 MARCH 2022**

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### **Stella Field, Bespoke Tax (resigned in December 2021)**

Stella Field, along with Neil Denniss, set up Bespoke Tax accountants in 2011. As a team they have grown a successful business that is able to offer clients comprehensive and inspired tax and accountancy advice. Stella is well known for providing expert technical tax advice on complex client cases and is a member of the Enterprise Investment Scheme Association. The clients have raised over GBP 200 m through the Enterprise Investment Scheme. Having started her career with the Inland Revenue, she had worked for Ernst and Young and Crowe Clark Whitehill LLP before setting up Bespoke.

The Trustees' report was approved by the Board of Trustees.

  
..  
**Ms M Lempers**  
Trustee  
Chair since June 2021  
Dated: .....  
30 Jan 2023

*Steven Lowe*  
.....  
**Mr S Lowe**  
Trustee  
Treasurer since June 2022  
Dated:.....  
31 Jan 2023

# THE IMPACT FACILITY

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

### *FOR THE YEAR ENDED 31 MARCH 2022*

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The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE IMPACT FACILITY

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE IMPACT FACILITY

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### Opinion

We have audited the financial statements of The Impact Facility (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 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 Charities Act 2011.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

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

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

# THE IMPACT FACILITY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF THE IMPACT FACILITY

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

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

- adequate accounting records have not been kept, 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees 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 charity'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 cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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

1. At the planning stage of the audit, we gain an understanding of the laws and regulations which apply to the company and how the management seek to comply with those laws and regulations. This helps us to plan appropriate risk assessments.
2. During the audit, we focus on relevant risk areas and review the compliance with the laws and regulations by making relevant enquiries and undertaking corroboration, for example by reviewing Board Minutes and other documentation.
3. We assess the risk of material misstatement in the financial statements including as a result of fraud and undertake procedures including:
  - a. Reviewing the controls set in place by management;
  - b. Making enquiries of management as to whether they consider fraud or other irregularity may have taken place, or where such opportunity might exist;
  - c. Challenging management assumptions with regard to accounting estimates; and
  - d. Identifying and testing journal entries, particularly those which appear to be unusual by size or nature.

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.

# THE IMPACT FACILITY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF THE IMPACT FACILITY

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

### Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

The prior year accounts were not audited.

### Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Samantha Daniels*

31 Jan 2023

**Samantha Daniels (Senior Statutory Auditor)  
for and on behalf of Shaw Gibbs (Audit) Limited**

.....

**Chartered Certified Accountants  
Statutory Auditor**

264 Banbury Road  
Oxford  
Oxfordshire  
OX2 7DY

# THE IMPACT FACILITY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<b>Income from:</b>							
Donations and legacies	3	28	650	678	1,421	1,800	3,221
Charitable activities	4	171,600	865,491	1,037,091	18,414	297,724	316,138
<b>Total income</b>		<b>171,628</b>	<b>866,141</b>	<b>1,037,769</b>	<b>19,835</b>	<b>299,524</b>	<b>319,359</b>
<b>Expenditure on:</b>							
Charitable activities	5	187,471	616,127	803,598	19,515	213,756	233,271
<b>Net (expenditure)/income for the year/ Net (outgoing)/incoming resources</b>		<b>(15,843)</b>	<b>250,014</b>	<b>234,171</b>	<b>320</b>	<b>85,768</b>	<b>86,088</b>
<b>Other recognised gains and losses</b>							
Other gains or losses	10	6,274	307	6,581	(1,017)	(3,440)	(4,457)
<b>Net movement in funds</b>		<b>(9,569)</b>	<b>250,321</b>	<b>240,752</b>	<b>(697)</b>	<b>82,328</b>	<b>81,631</b>
Fund balances at 1 April 2021		216	82,328	82,544	913	-	913
<b>Fund balances at 31 March 2022</b>		<b>(9,353)</b>	<b>332,649</b>	<b>323,296</b>	<b>216</b>	<b>82,328</b>	<b>82,544</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# THE IMPACT FACILITY

## BALANCE SHEET

AS AT 31 MARCH 2022

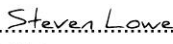
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	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		12,945		10,520
Investments	12		-		1
			<u>12,945</u>		<u>10,521</u>
<b>Current assets</b>					
Debtors	13	345,712		8,361	
Cash at bank and in hand		444,892		161,991	
		<u>790,604</u>		<u>170,352</u>	
<b>Creditors: amounts falling due within one year</b>	14	(480,253)		(98,329)	
Net current assets			310,351		72,023
<b>Total assets less current liabilities</b>			<u>323,296</u>		<u>82,544</u>
<b>Income funds</b>					
Restricted funds			332,649		82,328
Unrestricted funds			(9,353)		216
			<u>323,296</u>		<u>82,544</u>

30 Jan 2023

The financial statements were approved by the Trustees on .....

...  
  
Ms M Lempers  
Trustee

...  
  
Mr S Lowe  
Trustee

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

#### Charity information

The Impact Facility is a charitable incorporated organisation registered in England and Wales. The registered office is Avening Park, West End, Avening, Tetbury, GL8 8NE.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies (Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is included in the SoFA on an accruals basis.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	3 years straight line
Motor vehicles	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

(Continued)

#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	28	650	678	1,421	1,800	3,221

### 4 Charitable activities

	2022	2021
	£	£
Other income	1,037,091	316,138
Analysis by fund		
Unrestricted funds	171,600	18,414
Restricted funds	865,491	297,724
	1,037,091	316,138

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 5 Charitable activities

	Education 2022 £	Education 2021 £
Staff costs	161,248	95,472
Consultancy	250,846	57,282
Travel and subsistence	55,148	21,189
Project equipment	1,550	2,439
Website and marketing	69,982	2,652
Educational and training	5,059	759
General expenses	31,753	1,614
Legal expenses	19,303	4,614
Premises expenses	17,263	4,246
	<u>612,152</u>	<u>190,267</u>
Share of support costs (see note 7)	167,593	38,617
Share of governance costs (see note 7)	23,853	4,387
	<u>803,598</u>	<u>233,271</u>
<b>Analysis by fund</b>		
Unrestricted funds	187,471	19,515
Restricted funds	616,127	213,756
	<u>803,598</u>	<u>233,271</u>

### 6 Auditor's remuneration

	2022 £	2021 £
Fees payable to the charity's auditor and associates:		
Audit of the charity's annual accounts	<u>9,000</u>	<u>-</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	50,376	-	50,376	19,399	-	19,399
Depreciation	4,462	-	4,462	1,626	-	1,626
Website development	5,484	-	5,484	-	-	-
IT software and consumables	394	-	394	-	-	-
Travel and subsistence	450	-	450	6	-	6
Insurances	1,070	-	1,070	2,231	-	2,231
Freelance workers	103,627	-	103,627	7,580	-	7,580
Payroll services	667	-	667	7,087	-	7,087
General expenses	1,063	-	1,063	688	-	688
Audit fees	-	9,000	9,000	-	-	-
Accountancy	-	10,957	10,957	-	3,847	3,847
Legal and professional	-	3,896	3,896	-	540	540
	<u>167,593</u>	<u>23,853</u>	<u>191,446</u>	<u>38,617</u>	<u>4,387</u>	<u>43,004</u>
Analysed between Charitable activities	<u>167,593</u>	<u>23,853</u>	<u>191,446</u>	<u>38,617</u>	<u>4,387</u>	<u>43,004</u>

Governance costs includes payments to the auditors of £12,300 (2021: independent examiners of £3,300) for their work carried out.

### 8 Trustees

During the year one Trustee (Dr A Carter) received remuneration of £36,667 for employment (2021: £22,698), with Employers Pension benefit of £881 and Employers National Insurance of £4,246. Expenses reimbursed to the Trustees amounted to £Nil (2021: £Nil) during the year.

### 9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Employees	<u>3</u>	<u>3</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

<b>9</b>	<b>Employees</b>	<b>(Continued)</b>	
	<b>Employment costs</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
	Wages and salaries	187,623	100,838
	Social security costs	20,197	11,811
	Other pension costs	3,804	2,222
		<u>211,624</u>	<u>114,871</u>

There were no employees whose annual remuneration was more than £60,000.

<b>10</b>	<b>Other gains or losses</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total</b>
		<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Foreign exchange (gains)/losses	(6,274)	(307)	(6,581)	1,017	3,440	4,457
		<u>(6,274)</u>	<u>(307)</u>	<u>(6,581)</u>	<u>1,017</u>	<u>3,440</u>	<u>4,457</u>

<b>11</b>	<b>Tangible fixed assets</b>	<b>Computers</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>
	At 1 April 2021	4,816	7,330	12,146
	Additions	6,887	-	6,887
	At 31 March 2022	<u>11,703</u>	<u>7,330</u>	<u>19,033</u>
	<b>Depreciation and impairment</b>			
	At 1 April 2021	608	1,018	1,626
	Depreciation charged in the year	2,043	2,419	4,462
	At 31 March 2022	<u>2,651</u>	<u>3,437</u>	<u>6,088</u>
	<b>Carrying amount</b>			
	At 31 March 2022	<u>9,052</u>	<u>3,893</u>	<u>12,945</u>
	At 31 March 2021	<u>4,208</u>	<u>6,312</u>	<u>10,520</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 12 Fixed asset investments

		Other investments
<b>Cost or valuation</b>		
At 1 April 2021 & 31 March 2022		1
<b>Carrying amount</b>		
At 31 March 2022		1
At 31 March 2021		1

Other investments comprise:	Notes	2022 £	2021 £
Investments in subsidiaries	20	-	1

### 13 Debtors

Amounts falling due within one year:		2022 £	2021 £
Trade debtors		119,731	-
Other debtors		7,839	7,897
Prepayments and accrued income		218,142	464
		<u>345,712</u>	<u>8,361</u>

### 14 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		-	2,452
Deferred income	15	255,000	-
Trade creditors		209,723	8,661
Other creditors		3,230	83,916
Accruals and deferred income		12,300	3,300
		<u>480,253</u>	<u>98,329</u>

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 15 Deferred income

	2022 £	2021 £
Other deferred income	255,000	-

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	255,000	-
Movements in the year:		
Deferred income at 1 April 2021	-	-
Resources deferred in the year	255,000	-
Deferred income at 31 March 2022	255,000	-

### 16 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	688	12,257	12,945	1,094	9,426	10,520
Investments	-	-	-	1	-	1
Current assets/(liabilities)	(10,041)	320,392	310,351	(879)	72,902	72,023
	(9,353)	332,649	323,296	216	82,328	82,544

### 17 Operating lease commitments

Lease payments are recognised as an expense in the year of £5,067 (2021: £928). At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	5,527	5,527
Between two and five years	10,594	16,121
	16,121	21,648

# THE IMPACT FACILITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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### 18 Events after the reporting date

In April 2022, The Impact Facility secured investment through our subsidiary Impact Capital Ltd, to provide equipment to small-scale mines committed to ESG improvement across East and Central Africa. This is being rolled out in Kenya with plans to expand into Tanzania in 2023.

### 19 Related party transactions

#### Income

This year, the charity has received charitable activities income of £16,972 (2021: £65,936) from Fairphone for a joint project. Fairphone is an organisation which has a common trustee with The Impact Facility.

The charity also received charitable activities income of £66,147 (2021: Nil) from TDi Sustainability which is the trading name of a company under the control of a Trustee of The Impact Facility.

Charitable activities income of £30,659 (2021: Nil) was received from Solidaridad Nederland which is one of The Impact Facility's project partners.

Included in other debtors at the year end is £100 (2021: Nil) owed by Impact Capital Ltd, and £24,385 (2021: Nil) owed by TDi Sustainability.

#### Expenditure

During the year, consultancy fees of £157,766 (2021: £Nil) were paid to TDi Sustainability, which is the trading name of a company under the control of a Trustee of The Impact Facility.

Included in other creditors at the year end is £160,970 (2021: £83,916) owed to TDi Sustainability, and £Nil (2021: £Nil) owed to Fairphone.

During the year accountancy fees of £157 (2021: £547) were paid to a firm, at which one of its partners is also a trustee of The Impact Facility.

### 20 Subsidiaries

Details of the charity's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Impact Capital Ltd	Delta Place, 27 Bath Road, Cheltenham, United Kingdom, GL53 7TH	Fair trading company	Ordinary	100.00	