

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

THE IMPACT FACILITY

LEGAL AND ADMINISTRATIVE INFORMATION

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

THE IMPACT FACILITY

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THE IMPACT FACILITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

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.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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 PEPs, 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.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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:

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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 Netherlands 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.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

Trustee

Date: 11 Dec 2024

THE IMPACT FACILITY

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

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

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

Samantha Daniels

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

11 Dec 2024
.....

**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
	Notes	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Income from:							
Charitable activities	3	176,650	1,283,931	1,460,581	133,511	1,245,206	1,378,717
Expenditure on:							
Charitable activities	4	205,697	1,316,170	1,521,867	192,981	1,335,980	1,528,961
Net expenditure		(29,047)	(32,239)	(61,286)	(59,470)	(90,774)	(150,244)
Other recognised gains and losses:							
Other gains/(losses)	8	(11,967)	(3,068)	(15,035)	21,126	(137)	20,989
Net movement in funds		(41,014)	(35,307)	(76,321)	(38,344)	(90,911)	(129,255)
Reconciliation of funds:							
Fund balances at 1 January 2023		(47,697)	241,738	194,041	(9,353)	332,649	323,296
Fund balances at 31 December 2023		(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 £
Income from:							
Charitable activities	3	176,650	1,283,931	1,460,581	133,511	1,245,206	1,378,717
Expenditure on:							
Charitable activities	5	205,697	1,310,162	1,515,859	192,981	1,332,999	1,525,980
Net expenditure for the year/							
Net outgoing resources		(29,047)	(26,231)	(55,278)	(59,470)	(87,793)	(147,263)
Other recognised gains and losses							
Other gains or losses	8	(11,967)	(3,068)	(15,035)	21,126	(137)	20,989
Net movement in funds		(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
Fund balances at 31 December 2023		(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

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

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

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

THE IMPACT FACILITY

CHARITY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

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

THE IMPACT FACILITY

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

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

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 £
Education						
Consultancy	176,650	1,258,278	1,434,928	133,511	1,204,136	1,337,647
Equipment leasing						
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 £
Direct costs						
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
	1,222,861	33,990	1,256,851	1,273,575	42,526	1,316,101
Share of support and governance costs (see note 6)						
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
	1,477,457	44,410	1,521,867	1,481,523	47,438	1,528,961
Analysis by fund						
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
	1,477,457	44,410	1,521,867	1,481,523	47,438	1,528,961

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
	£	£	£	£	£	£
Direct costs						
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
	1,222,861	38,402	1,261,263	1,273,575	44,457	1,318,032
Share of support and governance costs (see note 7)						
Support	183,541	-	183,541	178,871	-	178,871
Governance	71,055	-	71,055	29,077	-	29,077
	1,477,457	38,402	1,515,859	1,481,523	44,457	1,525,980
Analysis by fund						
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
	1,477,457	38,402	1,515,859	1,481,523	44,457	1,525,980

THE IMPACT FACILITY

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

6 Support costs allocated to activities - Consolidated

	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	13,528	5,769
Governance costs	77,054	32,077
	<u>265,016</u>	<u>212,860</u>
Analysed between:		
Education	254,596	207,948
Equipment leasing	10,420	4,912
	<u>265,016</u>	<u>212,860</u>
	2023 £	2022 £
Governance costs comprise:		
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>

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>
Analysed between:		
Education	<u>254,596</u>	<u>207,948</u>
	2023 £	2022 £
Governance costs comprise:		
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	<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

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:	2023 £	2022 £
For audit services		
Audit of the financial statements of the charity	16,500	12,400

12 Employees - Charity and consolidated

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Employees	12	8

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

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
	£	£	£
Cost			
At 1 January 2023	14,591	20,425	35,016
Additions	848	-	848
At 31 December 2023	15,439	20,425	35,864
Depreciation and impairment			
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
Carrying amount			
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
	£
Cost or valuation	
At 1 January 2023 & 31 December 2023	1
Carrying amount	
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 £
Amounts falling due within one year:		
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>
Amounts falling due after more than one year:		
Other debtors	<u>28,035</u>	<u>16,689</u>
Total debtors	<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
	389,162	380,790

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
	465,185	437,369

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)
	=====	=====	=====	=====	=====
Previous period:	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)
	=====	=====	=====	=====	=====

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)
	=====	=====	=====	=====	=====
Previous period:	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 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>
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	(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 £
Fund balances at 31 December 2023 are represented by:			
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 £
Fund balances at 31 December 2022 are represented by:			
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 £	2022 £
Fund balances at 31 December 2023 are represented by:						
Tangible assets	-	12,084	12,084	2,362	20,065	22,427
Investments	1	-	1	1	-	1
Current assets/(liabilities)	(88,712)	203,336	114,624	(50,060)	224,654	174,594
	<u>(88,711)</u>	<u>215,420</u>	<u>126,709</u>	<u>(47,697)</u>	<u>244,719</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)
Cash generated from/(absorbed by) operations	40,845	(190,431)

THE IMPACT FACILITY

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

(Continued)

32 Cash generated from operations - Charity	2023 £	2022 £
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)
Cash generated from/(absorbed by) operations	40,767	(190,451)