

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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THE IMPACT FACILITY

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THE IMPACT FACILITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

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.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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 Netherlands 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.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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 Nsangano 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

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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

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

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
.....

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 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

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

Shaw Gibbs (Audit) Limited

Shaw Gibbs (Audit) Limited
Statutory Auditor

14 Jan 2026

.....

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

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 £
Income from:							
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
Total income		<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>
Expenditure on:							
Charitable activities	7	<u>298,579</u>	<u>1,268,654</u>	<u>1,567,233</u>	<u>205,697</u>	<u>1,310,162</u>	<u>1,515,859</u>
Net income/(expenditure) for the year/		64,768	93,972	158,740	(29,047)	(26,231)	(55,278)
Other recognised gains and losses							
Other gains or losses	11	<u>(31,077)</u>	<u>(512)</u>	<u>(31,589)</u>	<u>(11,967)</u>	<u>(3,068)</u>	<u>(15,035)</u>
Net movement in funds		33,691	93,460	127,151	(41,014)	(29,299)	(70,313)
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>
Fund balances at 31 December 2024		<u>(55,020)</u>	<u>308,880</u>	<u>253,860</u>	<u>(88,711)</u>	<u>215,420</u>	<u>126,709</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

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

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

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

Steven Lowe

 Mr S Lowe
 Trustee

THE IMPACT FACILITY

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

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

THE IMPACT FACILITY

CHARITY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

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

THE IMPACT FACILITY

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

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

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

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	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	31 December 2024 £	31 December 2024 £	31 December 2024 £	31 December 2023 £	31 December 2023 £	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 £
Education						
Consultancy	346,260	1,138,948	1,485,208	176,650	1,258,278	1,434,928
Equipment leasing						
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
	£	£	£	£	£	£
Direct costs						
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
	1,221,352	143,808	1,365,160	1,222,861	33,990	1,256,851
Share of support and governance costs (see note 8)						
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
	1,539,727	162,366	1,702,093	1,477,457	44,410	1,521,867
Analysis by fund						
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
	1,539,727	162,366	1,702,093	1,477,457	44,410	1,521,867

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
	£	£	£	£	£	£
Direct costs						
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
	1,221,352	27,506	1,248,858	1,222,861	38,402	1,261,263
Share of support and governance costs (see note 9)						
Support	263,944	-	263,944	183,541	-	183,541
Governance	54,431	-	54,431	71,055	-	71,055
	1,539,727	27,506	1,567,233	1,477,457	38,402	1,515,859
Analysis by fund						
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
	1,539,727	27,506	1,567,233	1,477,457	38,402	1,515,859

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>
Analysed between:		
Education	318,375	254,596
Equipment leasing	18,558	10,420
	<u>336,933</u>	<u>265,016</u>

	2024 £	2023 £
Governance costs comprise:		
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>
Analysed between:		
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
	<u>54,431</u>	<u>71,054</u>

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
	<u>31,077</u>	<u>(6,482)</u>	<u>24,595</u>	<u>11,967</u>	<u>3,068</u>	<u>15,035</u>

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
	<u>31,077</u>	<u>512</u>	<u>31,589</u>	<u>11,967</u>	<u>3,068</u>	<u>15,035</u>

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:	2024	2023
	£	£
For audit services		
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:

	2024	2023
	Number	Number
Employees	16	12

Employment costs	2024	2023
	£	£
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

	2024	2023
	£	£
Carrying amount of financial assets		
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
	£	£	£
Cost			
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
Depreciation and impairment			
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
Carrying amount			
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
	£
Cost or valuation	
At 1 January 2024 & 31 December 2024	1
Carrying amount	
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

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

21 Debtors - Charity

	2024 £	2023 £
Amounts falling due within one year:		
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>
	2024 £	2023 £
Amounts falling due after more than one year:		
Other debtors	31,248	28,035
	<u>31,248</u>	<u>28,035</u>
Total debtors	<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)
	=====	=====	=====	=====	=====
Previous year:	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)
	=====	=====	=====	=====	=====

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)
	=====	=====	=====	=====	=====
Previous year:	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)
	=====	=====	=====	=====	=====

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>
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	(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 £
Fund balances at 31 December 2024 are represented by:			
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 £
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>

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	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

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.

38 Cash generated from operations - Consolidated	2024 £	2023 £
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	-
Cash generated from operations	404,484	40,845

THE IMPACT FACILITY

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

(Continued)

39 Cash generated from operations - Charity	2024 £	2023 £
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	-
Cash generated from operations	269,712	40,767