

Charity no. 1200102

**Treebeard Trust**  
**Annual Report and Audited Financial**  
**Statements**  
**31 December 2025**

## **Treebeard Trust**

### **Reference and administrative details**

**For the year ended 31 December 2025**

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|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Charity number</b>                            | 1200102                                                                                                                                                                                |
| <b>Registered office and operational address</b> | Glasses<br>Graffham<br>Petworth<br>West Sussex<br>GU28 0PU                                                                                                                             |
| <b>Trustees</b>                                  | The trustees who served during the year and up to the date of this report were as follows:<br>Barnaby Wiener<br>Cassandra Wiener<br>Michael Momp<br>Andrew Purvis<br>Elisabeth Barrett |
| <b>Grant Director</b>                            | Jessamy Gould (until 30 September 2025)<br>Iona Blathwayt (from 18 May 2026)                                                                                                           |
| <b>Investment Director</b>                       | Shishir Malhotra                                                                                                                                                                       |
| <b>Bankers</b>                                   | C. Hoare & Co.<br>37 Fleet Street<br>London<br>EC4P 4DQ                                                                                                                                |
| <b>Solicitors</b>                                | Russell Cooke<br>2 Putney Hill<br>London<br>SW15 6AB                                                                                                                                   |
| <b>Auditors</b>                                  | Godfrey Wilson Limited<br>Chartered accountants and statutory auditors<br>5th Floor Mariner House<br>62 Prince Street<br>Bristol<br>BS1 4QD                                            |

## **Treebeard Trust**

### **Report of the trustees**

#### **For the year ended 31 December 2025**

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Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the foundation's Constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

The trustees present their report with the financial statements of the charity for the year ended 31 December 2025.

#### **Objectives and activities for the public benefit**

Our mission is to support transformational initiatives which have the potential to create a healthier planet and a fairer society.

As a charitable foundation, our impact is primarily created by our partners, whom we support with either grant funding or investment capital (or both). We are not issue-led, but our partners generally fit into (at least one of) four core themes: sustainable planet, vulnerable communities, justice and systems change. In all cases, we aim to support only exceptional projects run by exceptional leaders. We favour organisations which combine philanthropic purpose with commercial rigour. We have a relatively concentrated portfolio and we try to keep the bar high. That means we often say no to potential opportunities. We acknowledge this can be frustrating and we try to communicate our position clearly and quickly. Once we have decided to fund a partner we try to minimize any constraints we impose on them: no restricted grants (unless the circumstances dictate otherwise); no bespoke reporting or any other pointless bureaucracy which serves only to hinder their ability to deliver on their purpose.

We differ from most foundations in that we view our investment capital as a critical tool to create impact. We have long been irked by the limitations of the traditional foundation model, where the assets are invested for financial return leaving only the residual income to be deployed to support the mission. Any foundation which seeks to protect its endowment has a finite resource of "free money" (i.e. grant-making capacity). But this is only a constraint if one is wedded to the notion that grant-making is the only funding model available. We take a more holistic view. Every investment has an impact, either positive or negative. Our goal is to drive as much positive impact as possible through our investments, without materially compromising our financial objectives.

We are a funder first and foremost, but we try to further our mission in less tangible ways. In part this is about getting out of our partners' way, ensuring we do not burden them with unnecessary reporting requirements and other bureaucratic constraints. We also try to support them where we can, connecting them with other funders or with other organisations operating in their field, advocating on their behalf and providing advice when sought and when we feel we have something to contribute. We are mindful that we are rarely the expert in the room and sensitive to the power dynamics which sometimes lead funders into thinking otherwise.

#### **Public benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission (public benefit requirement).

## **Treebeard Trust**

### **Report of the trustees**

#### **For the year ended 31 December 2025**

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##### **Achievements and performance**

We distributed just under £900,000 in grants during the year. This was slightly below our budget of £1m. We are in the midst of a strategic transition, as we concentrate the portfolio around fewer partners with larger average grants. We are also in the midst of a team transition, with our grant director leaving in September 2025. A new grant director joined us in May 2026.

Our new grant portfolio is starting to take shape, with eight strategic partners at year end. Our aim is to increase that to around twelve, all £50k plus grants with multi-year commitments, accounting for around 70% of our total grant budget. The rest of the budget is reserved for our two other categories: innovation grants (typically £20-30k) to support projects in their incubation phase and discretionary grants (typically around £10k), which as the name implies are awarded at the discretion of the trustees.

We are not issue-led and as such our grant portfolio has an eclectic feel. Our strategic partners span a number of different sectors and different geographies (mainly UK, but two in East Africa and one operating across the developing world). We do not invite applications for grant funding, partly because we do not have the resources to process them but mainly because we do not want to waste potential grantees' time. With such a concentrated portfolio and a commitment to multi-year funding, we take on very few new partners in any given year and we prefer to source them proactively rather than wait for them to land in our inbox.

We have refined the investment criteria which informs our grant-making. In practice, it was less about refining the criteria and more about spelling it out explicitly. This is what we look for:

- Exceptional leadership – people with passion, energy, resilience and entrepreneurial spirit;
- Clarity of purpose – a mission and vision we understand and believe in;
- Compelling operating model – a solution which feels innovative, well thought through and likely to succeed;
- Well defined impact objectives with a clear strategy for delivering on them and a robust approach to measuring progress;
- Alignment with at least one of our four themes (Sustainable Planet, Vulnerable Communities, Justice, System Change);
- Potential to scale – ideally the vision entails material expansion in scope and impact of the project;
- Additionality – our support, both financial and other, should make a difference; and
- Catalytic – ideally our funding helps to propel partners to the next level (where they no longer need us).

We use the same investment criteria for our impact-driven financial investments (also known as social investments). There are obviously distinctions between a grant and an investment but they have much in common. They are both investments in enterprises whose purpose is to change the world for the better. Often the only difference is the legal structure, but even that is not always the case. Many of our investees are not for profits.

Last year we deployed a little under £1m in impact investments across 15 different partners, of which nine were new. We also invested in an impact driven venture fund, a £500k commitment which will be drawn down over 4-5 years. We may do more fund investments going forward. We now have 60 direct impact investments, both debt and equity, and the portfolio is becoming harder to manage. We are also increasingly conscious of our limitations, and suspect that we may achieve better results (as in better returns and more impact – the two usually go hand in hand) via funds, so long as we get the manager selection right.

## **Treebeard Trust**

### **Report of the trustees**

#### **For the year ended 31 December 2025**

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We continue to ponder the holy grail for all purpose-driven organisations, especially foundations whose only activity is to distribute funds to others: how to effectively measure and evaluate our impact? We are wary of relying on quantitative metrics. They confer a degree of objectivity but, in the absence of context, often provide a misleading picture of the underlying impact. The risk is they end up being the tail that wags the dog. This is particularly the case for an organisation like ours, whose impact is derived from the underlying impact of c100 different partners. To claim that we have benefitted this many people or eliminated that many tonnes of CO2 from the atmosphere feels like a mathematical indulgence completely divorced from reality.

What we are trying to do is to clarify the key objectives of our partners, and the parameters by which they measure progress against them. By agreeing a shared understanding of what success looks like, at the start of our partnership, we can more easily track progress (and avoid mission creep). But even here we need to retain a flexible mindset. Invariably we are backing early stage organisations with limited resources and operating models which have to evolve to survive. The last thing we should be doing is holding them hostage to benchmarks which may no longer be relevant or be too arduous to measure.

We have introduced a simple traffic light framework for evaluating our partners: green (progressing well), red (struggling) and amber (somewhere in the middle). This enables us to quickly discern how our portfolio is performing. But again, even here we need to be careful not to draw the wrong conclusions. Were we to become preoccupied with maximising green and minimising red, we would end up only supporting the “safe” projects. Whereas our whole ethos is to take risk, to go where other funders dare not.

As a funder, our impact is partly derived from what our partners achieve and partly from the additionality of our funding to their enterprise. This itself can create all sorts of unhelpful distortions, for example the practice of restricting funding to a specific project (“look, we built this library!”). There are occasions when our funding is restricted, but only when it serves our partners’ interests (sometimes it is helpful for them to ring-fence funding). In general, we make our funding unrestricted. Our goal is to identify leaders we believe in and then back them to the hilt. Our additionality is best measured by how critical we are to their overall funding picture, and this leads us to favour smaller, earlier stage organisations who have yet to “de-risk” and attract larger funders.

#### **Performance monitoring**

We carry out careful due diligence before committing capital to any partner. For both grant and financial investees, we have an evaluation framework which incorporates a range of criteria, with a view to ensuring consistency and rigour when it comes to making the critical decision of whether or not to invest. We maintain close contact with our partners post-investment to check on progress. We have a light touch annual impact measurement framework which is structured to be applicable to all our investees. At all times we are mindful that our needs should never conflict with the needs of our partners. We are there to support them, not the other way round. We never ask for bespoke reporting and we try to be respectful of their time.

#### **Financial review**

##### **Performance summary**

The charity's income for the year was £706,046 (2024: £3,071,061) against expenditure of £1,606,707 (2024: £482,729), leading to a deficit (after gains on investments) of £109,171 (2024: surplus of £2,707,722).

## **Treebeard Trust**

### **Report of the trustees**

#### **For the year ended 31 December 2025**

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##### **Investment powers and policy**

Under its Constitution the Charity has the power to invest in any way the Trustees decide.

As previously discussed, we deploy a substantial part of our assets in social investments, where the goal is to achieve positive social or environmental impact alongside financial return. Historically we have favoured direct investments: equity stakes in for profit businesses, debt funding to charities and social enterprises, property and other instruments. Increasingly we are also considering funds. We source these investment opportunities through a variety of networks and intermediaries, and also from our existing partners.

Our goal when we set out on this approach was to have 50% of our assets invested for impact. We are now over 40%, so making good progress against that objective. Our definition of an impact investment is one where it has some additionality, i.e. it is a direct injection of capital, and where the core purpose of the enterprise is aligned with an explicit social or environmental objective. But within this broad definition there is a wide range of different investments with very different return profiles. At one end we have deeply discounted debt investments (sometimes with no interest rate attached), at the other investments in mission-driven businesses which we hope will deliver multiples of our original investment. Our goal is that their aggregate financial return will not be materially worse than our more traditional investments.

The rest of our assets are deployed, responsibly, with the objective of preserving and growing their real value over time. Some of these investments are held directly through our brokerage account at Cazenove. Others are with 3rd party fund managers. We have been very selective in our choice of managers. They are all boutiques, managed by their founders with strong business ethics.

We have a slightly different approach to responsible investment compared to our peers. The majority have a very diversified portfolio and focus on using their voice as shareholders to hold corporate managers to account. Nothing wrong with this approach, but our preference is to own a more concentrated portfolio of companies where we have a high degree of confidence that they are managed in the right way. Similar to our grants and social investments, we prefer to identify the best and then back them, rather than run the risk of micro-management. We are acutely aware of how much simpler every problem appears from a distance and are reluctant to assume that we know better than the people running these (often extraordinarily complex) companies how they should best manage the competing interests of their various stakeholders.

##### **Reserves policy**

Longer term, our goal is to maintain cash reserves amounting to at least 10% of our total net assets, on the grounds that would cover two years' worth of annual expenditure. Based on our current size and budget that would amount to roughly £2.3m. As of December 2025, we had cash at bank of £2.9m. We also held close to £9m in a combination of cash and gilts in our Cazenove account. This conservative positioning is partly because we are still building our social investment portfolio but mainly a reflection of our extreme caution around the fragility of financial markets.

##### **Future plans**

Our main focus going forward is to carry on what we are doing but try to do it better. We will continue to reflect on how we can make better investment decisions (for both grants and financial investments), refine our evaluation process and more effectively support to our partners.

## **Treebeard Trust**

### **Report of the trustees**

**For the year ended 31 December 2025**

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#### **Structure, governance and management**

##### **Governing document**

The Charity is constituted as a Charitable Incorporated Organisation (CIO) and its governing document is its Constitution dated 17th August 2022.

##### **Decision making**

Decisions are made collaboratively by staff and trustees, as follows. Grant decisions are made by the founder trustees, Barnaby and Cassandra Wiener, working in tandem with the grant director, Iona Blathwayt. Investment decisions are made by Barnaby Wiener and Shishir Malhotra, the investment director. For larger investments (over £250,000) approval is required from all trustees before proceeding.

##### **Trustees**

The Constitution stipulates a minimum of two trustees, and that Barnaby and Cassandra Wiener, as Founder Trustees, hold the responsibility for new appointments. We have three independent trustees: Mike Mompoti, Elisabeth Barrett and Andrew Purvis. They bring unique perspectives and invaluable insights, and they are unfailingly generous with their time. The trustees meet formally 3-4 times a year and interact regularly on an ad hoc basis.

Trustees are provided with key information and guidance from the Charity Commission website. They are also provided with draft copies of the charity's annual report and accounts, written updates on our grants and investments, and full access to the charity's electronic filing system.

##### **Staff remuneration**

Remuneration of the charity's key management personnel is set by the trustees, using available sector benchmarks including the annual ACF Salary and Benchmarking Report.

##### **Organisation**

We are a team of three, all part-time. Barnaby Wiener is Executive Chair. Shishir Malhotra is our Investment Director with responsibility specifically for our impact or social investment activity. Iona Blathwayt joined us as Grants Director in May 2026, replacing Jessamy Gould who departed in September 2025.

##### **Risk management**

The Charity is in essence an investment vehicle, not an operating charity. The key risk to which it is exposed is the misallocation of its funds. Funds are allocated for two purposes: 1) to change the world for the better; 2) to generate financial returns in order to perpetuate our capacity to pursue the first purpose. Although the two objectives are (often, but not always) different, the risk management process is similar. In both cases it comes down to thorough due diligence, knowing the counterparty and identifying the risks in advance.

##### **Statement of responsibilities of the trustees**

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with 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).

## **Treebeard Trust**

### **Report of the trustees**

#### **For the year ended 31 December 2025**

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The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which 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 constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity have no liability to contribute to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

#### **Auditors**

Godfrey Wilson Limited were appointed as auditors to the charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 23 June 2026 and signed on their behalf by

*BM Wiener*

Barnaby Wiener - Chair

## **Independent auditors' report**

### **To the trustees of**

#### **Treebeard Trust**

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#### **Opinion**

We have audited the financial statements of Treebeard Trust (the 'charity') for the year ended 31 December 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2025 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 7 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

## **Independent auditors' report**

### **To the trustees of**

#### **Treebeard Trust**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **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 trustees' report is inconsistent in any material respect with the financial statements; 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.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Our 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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

## **Independent auditors' report**

### **To the trustees of**

#### **Treebeard Trust**

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(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

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. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Independent auditors' report**

### **To the trustees of**

#### **Treebeard Trust**

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#### **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.

*Godfrey Wilson Limited*

Date: 23 June 2026

#### **GODFREY WILSON LIMITED**

Chartered accountants and statutory auditors  
5th Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD

Godfrey Wilson Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# Treebeard Trust

## Statement of financial activities

For the year ended 31 December 2025

|                                                                 |      | <b>2025<br/>Total<br/>£</b> | Restated<br>2024<br>Total<br>£ |
|-----------------------------------------------------------------|------|-----------------------------|--------------------------------|
| <b>Income from:</b>                                             | Note |                             |                                |
| Donations and legacies                                          | 3    | -                           | 2,507,750                      |
| Investments                                                     | 4    | <u>706,046</u>              | <u>563,311</u>                 |
| <b>Total income</b>                                             |      | <u>706,046</u>              | <u>3,071,061</u>               |
| <b>Expenditure on:</b>                                          |      |                             |                                |
| Raising funds                                                   |      | 109,038                     | 55,193                         |
| Charitable activities                                           |      | <u>1,497,669</u>            | <u>427,536</u>                 |
| <b>Total expenditure</b>                                        | 5    | <u>1,606,707</u>            | <u>482,729</u>                 |
| Net gains on investments                                        |      | <u>791,490</u>              | <u>119,390</u>                 |
| <b>Net income / (expenditure) and<br/>net movement in funds</b> | 7    | (109,171)                   | 2,707,722                      |
| <b>Reconciliation of funds:</b>                                 |      |                             |                                |
| Total funds brought forward                                     |      | <u>24,968,579</u>           | <u>22,260,857</u>              |
| <b>Total funds carried forward</b>                              |      | <u><u>24,859,408</u></u>    | <u><u>24,968,579</u></u>       |

All of the income, expenditure and gains on investments in the current and prior period was unrestricted.

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

Prior period expenditure has been restated for a prior period adjustment, as set out in note 2 to the accounts.

# Treebeard Trust

## Balance sheet

As at 31 December 2025

|                                                       | Note | £                | 2025<br>£         | Restated<br>2024<br>£ |
|-------------------------------------------------------|------|------------------|-------------------|-----------------------|
| <b>Fixed assets</b>                                   |      |                  |                   |                       |
| Investments                                           | 10   |                  | <b>19,974,546</b> | 19,431,198            |
| Investment property                                   | 14   |                  | <b>1,880,000</b>  | 2,000,000             |
|                                                       |      |                  | <b>21,854,546</b> | 21,431,198            |
| <b>Current assets</b>                                 |      |                  |                   |                       |
| Debtors                                               | 15   | <b>15,415</b>    |                   | 26,621                |
| Cash at bank and in hand                              |      | <b>3,780,031</b> |                   | 3,825,918             |
|                                                       |      | <b>3,795,446</b> |                   | 3,852,539             |
| <b>Liabilities</b>                                    |      |                  |                   |                       |
| Creditors: amounts falling due within 1 year          | 16   | <b>(480,584)</b> |                   | (315,158)             |
| <b>Net current assets</b>                             |      |                  | <b>3,314,862</b>  | 3,537,381             |
| <b>Total assets less current liabilities</b>          |      |                  | <b>25,169,408</b> | 24,968,579            |
| Creditors: amounts falling due after more than 1 year | 17   |                  | <b>(310,000)</b>  | -                     |
| <b>Net assets</b>                                     |      |                  | <b>24,859,408</b> | 24,968,579            |
| <b>Funds</b>                                          |      |                  |                   |                       |
| Unrestricted funds                                    |      |                  |                   |                       |
| General funds                                         |      |                  | <b>24,859,408</b> | 24,968,579            |
| <b>Total charity funds</b>                            |      |                  | <b>24,859,408</b> | 24,968,579            |

Approved by the trustees on 23 June 2026 and signed on their behalf by

*BM Wiener*

Barnaby Wiener - Chair

# Treebeard Trust

## Statement of cash flows

For the year ended 31 December 2025

|                                                              | 2025<br>£          | Restated<br>2024<br>£ |
|--------------------------------------------------------------|--------------------|-----------------------|
| <b>Cash flows from operating activities:</b>                 |                    |                       |
| Net movement in funds                                        | (109,171)          | 2,707,722             |
| Adjustments for:                                             |                    |                       |
| Rents received                                               | (100,000)          | (100,000)             |
| Interest received                                            | (401,697)          | (338,198)             |
| Dividends received                                           | (204,349)          | (125,113)             |
| Net gains on investments                                     | (791,490)          | (119,390)             |
| Net management fees deducted in specie                       | 92,595             | -                     |
| Decrease / (increase) in debtors                             | 11,206             | (26,621)              |
| Increase / (decrease) in creditors                           | 475,426            | (666,225)             |
| <b>Net cash (used in) / provided by operating activities</b> | <b>(1,027,480)</b> | <b>1,332,175</b>      |
| <b>Cash flows from investing activities:</b>                 |                    |                       |
| Rents received                                               | 100,000            | 100,000               |
| Interest received                                            | 401,697            | 338,198               |
| Dividends received                                           | 204,349            | 125,113               |
| Purchase of fixed asset investments                          | (8,530,373)        | (9,970,174)           |
| Proceeds from the sale of fixed asset investments            | 9,036,295          | 8,461,309             |
| Social investment loans incepted                             | (523,333)          | (777,664)             |
| Social investment loans repaid                               | 292,958            | 214,390               |
| <b>Net cash provided by / (used in) investing activities</b> | <b>981,593</b>     | <b>(1,508,828)</b>    |
| <b>Decrease in cash and cash equivalents in the year</b>     | <b>(45,887)</b>    | <b>(176,653)</b>      |
| Cash and cash equivalents at the beginning of the year       | 3,825,918          | 4,002,571             |
| <b>Cash and cash equivalents at the end of the year</b>      | <b>3,780,031</b>   | <b>3,825,918</b>      |
| <b>Cash and cash equivalents consists of:</b>                |                    |                       |
| Cash at bank and in hand                                     | 650,868            | 865,726               |
| Cash in deposit accounts                                     | 2,250,000          | 2,000,000             |
| Cash held in investment portfolio                            | 879,163            | 960,192               |
|                                                              | <b>3,780,031</b>   | <b>3,825,918</b>      |

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

## **Treebeard Trust**

### **Notes to the financial statements**

**For the year ended 31 December 2025**

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#### **1. Accounting policies**

##### **a) General information and basis of preparation**

Treebeard Trust is an Charitable Incorporated Organisation registered in England and Wales. The registered office address is Glasses, Graffham, Petworth, West Sussex, GU28 0PU.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Treebeard Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

##### **b) Going concern basis of accounting**

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

##### **c) Income**

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

##### **d) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

##### **e) Expenditure and irrecoverable VAT**

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

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

##### **f) Allocation of support and governance costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to charitable activities on the basis that all fundraising costs relate to investment management fees which have no related overheads.

**1. Accounting policies (continued)**

**g) Unlisted equity investments**

Unlisted equity investments are recognised when the charity becomes a party to the contractual provisions of the instrument and are initially measured at transaction price, including directly attributable transaction costs.

In accordance with Section 11 and Section 12 of FRS 102, unlisted equity investments that cannot be measured reliably at fair value without undue cost or effort are subsequently measured at cost less impairment.

The carrying amount of these investments is reviewed for indicators of impairment at each reporting date. Where there is objective evidence that the investment is impaired, an impairment loss is recognised in the Statement of Financial Activities.

Where new information becomes available that provides a reliable indication of value—such as a recent arm's length transaction in the investee's equity (for example, a price established in a recent funding round)—the charity reassesses the carrying value of the investment. In such circumstances, the investment is remeasured to reflect this updated valuation where it is considered to provide a more reliable estimate of recoverable amount. Any resulting adjustment is recognised in the Statement of Financial Activities.

In the event that reliable recent information is not available for holdings previously held under fair value, the most recent valuation is treated as the deemed cost as permitted under FRS 102 s.2A.23.

**h) Listed investments**

Listed investments traded on a recognised stock exchange are stated at fair value at the reporting date, which is deemed to be their market value. Any gain or loss, whether realised or unrealised, is taken to the Statement of Financial Activities.

**i) Social investment loans**

Social investments are concessionary loans made to third parties that directly further the charitable purposes of the charity. The loans are recognised as the amount paid, less cumulative repayments. They are reviewed annually for impairment, with impairment losses included in the Statement of Financial Activities.

**j) Investment property**

Investment property is property (land or a building, or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both.

Investment property is initially measured at cost, including transaction costs. Investment property is subsequently measured at fair value at the reporting date. This method of valuation applies to all the charitable company's investment properties.

Gains or losses arising from changes in the fair value of investment property are included in net profit or loss on the face of the Statement of Financial Activities for the period in which they arise.

**k) Debtors**

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

## **Treebeard Trust**

### **Notes to the financial statements**

**For the year ended 31 December 2025**

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#### **1. Accounting policies (continued)**

##### **l) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### **m) Creditors**

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

##### **n) Financial instruments**

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

##### **o) Pension costs**

The charity operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

##### **p) Foreign currency transactions**

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

##### **q) Accounting estimates and key judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are the valuation of unlisted equity investments and social investments, as described in notes (g) and (i) above.

## Treebeard Trust

### Notes to the financial statements

#### For the year ended 31 December 2025

#### 2. Prior period restatement

Prior year funds have been restated due to reclassification of investments originally classified as investment property to social investment shares and financial investment shares, reclassification of investments originally classed as managed funds to social investment loans, and recognition of the full commitment to multi-year grant commitments on the date at which the commitment was made rather than on a cash basis. The effects of the restatement are set out below:

|                                                               | 2023<br>£         | 2024<br>£         |
|---------------------------------------------------------------|-------------------|-------------------|
| <b>Funds</b>                                                  |                   |                   |
| Funds as originally stated at 31 December                     | 23,224,857        | 25,270,579        |
| Adjustment to grant commitments (relating to FY23)            | (964,000)         | (964,000)         |
| Adjustment to grant commitments (relating to FY24)            | -                 | 662,000           |
| Restated funds at 31 December                                 | <u>22,260,857</u> | <u>24,968,579</u> |
| <b>Expenditure</b>                                            |                   | 2024<br>£         |
| Expenditure as originally stated at 31 December               |                   | 1,144,729         |
| Adjustment to grant commitments during the year               |                   | 25,000            |
| Adjustment to grant commitments from previous financial years |                   | <u>(687,000)</u>  |
| Restated expenditure at 31 December                           |                   | <u>482,729</u>    |
| <b>Financial investment shares</b>                            |                   | 2024<br>£         |
| Shares as originally stated at 31 December                    |                   | 10,087,227        |
| Reclassification of financial instruments                     |                   | <u>592,975</u>    |
| Restated shares at 31 December                                |                   | <u>10,680,202</u> |
| <b>Social investment shares</b>                               |                   | 2024<br>£         |
| Shares as originally stated at 31 December                    |                   | 3,596,139         |
| Reclassification of financial instruments                     |                   | <u>276,179</u>    |
| Restated shares at 31 December                                |                   | <u>3,872,318</u>  |

# Treebeard Trust

## Notes to the financial statements

### For the year ended 31 December 2025

#### 2. Prior period restatement (continued)

|                                                   | 2023<br>£               | 2024<br>£               |
|---------------------------------------------------|-------------------------|-------------------------|
| <b>Managed funds</b>                              |                         |                         |
| Managed funds as originally stated at 31 December | 7,459,226               | 3,779,110               |
| Reclassification of financial instruments         | <u>(250,000)</u>        | <u>(250,000)</u>        |
| Restated managed funds at 31 December             | <u><u>7,209,226</u></u> | <u><u>3,529,110</u></u> |

|                                           | 2023<br>£             | 2024<br>£               |
|-------------------------------------------|-----------------------|-------------------------|
| <b>Social investment loans</b>            |                       |                         |
| Loans as originally stated at 31 December | 564,843               | 1,099,568               |
| Reclassification of financial instruments | <u>250,000</u>        | <u>250,000</u>          |
| Restated loans at 31 December             | <u><u>814,843</u></u> | <u><u>1,349,568</u></u> |

|                                                       | 2023<br>£             | 2024<br>£             |
|-------------------------------------------------------|-----------------------|-----------------------|
| <b>Creditors: amounts falling due within one year</b> |                       |                       |
| Creditors as originally stated at 31 December         | 17,384                | 13,158                |
| Adjustment to grant commitments during the year       | <u>964,000</u>        | <u>302,000</u>        |
| Restated creditors at 31 December                     | <u><u>981,384</u></u> | <u><u>315,158</u></u> |

#### 3. Income from donations and legacies

|                                                 | 2025<br>Total<br>£ | 2024<br>Total<br>£      |
|-------------------------------------------------|--------------------|-------------------------|
| Donations                                       | -                  | 2,007,750               |
| Gift aid                                        | <u>-</u>           | <u>500,000</u>          |
| <b>Total income from donations and legacies</b> | <u><u>-</u></u>    | <u><u>2,507,750</u></u> |

All income from donations was unrestricted in the prior period.

**Treebeard Trust**

**Notes to the financial statements**

**For the year ended 31 December 2025**

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**4. Income from investments**

|                                      | <b>2025<br/>Total<br/>£</b>  | <b>2024<br/>Total<br/>£</b>  |
|--------------------------------------|------------------------------|------------------------------|
| Rents received                       | <b>100,000</b>               | 100,000                      |
| Dividend income                      | <b>204,349</b>               | 125,113                      |
| Deposit account interest             | <b>113,398</b>               | 128,464                      |
| Other interest                       | <b><u>288,299</u></b>        | <u>209,734</u>               |
| <b>Total income from investments</b> | <b><u><u>706,046</u></u></b> | <b><u><u>563,311</u></u></b> |

All income from investments was unrestricted in the current and prior period.

# Treebeard Trust

## Notes to the financial statements

For the year ended 31 December 2025

### 5. Total expenditure

|                                               | Raising<br>funds<br>£ | Charitable<br>activities<br>£ | Support and<br>governance<br>costs<br>£ | 2025 Total<br>£  |
|-----------------------------------------------|-----------------------|-------------------------------|-----------------------------------------|------------------|
| Grants payable (note 6)                       | -                     | 1,371,656                     | -                                       | 1,371,656        |
| Staff costs (note 8)                          | -                     | 59,016                        | 36,171                                  | 95,187           |
| Investment management costs                   | 109,038               | -                             | -                                       | 109,038          |
| Accountancy and payroll                       | -                     | -                             | 17,996                                  | 17,996           |
| Travel                                        | -                     | -                             | 3,318                                   | 3,318            |
| Membership fees                               | -                     | -                             | 2,848                                   | 2,848            |
| Consultants                                   | -                     | -                             | 1,980                                   | 1,980            |
| Bank charges                                  | -                     | -                             | 1,795                                   | 1,795            |
| Insurance                                     | -                     | -                             | 1,575                                   | 1,575            |
| IT                                            | -                     | -                             | 1,314                                   | 1,314            |
| <b>Sub-total</b>                              | 109,038               | 1,430,672                     | 66,997                                  | 1,606,707        |
| Allocation of support and<br>governance costs | -                     | 66,997                        | (66,997)                                | -                |
| <b>Total expenditure</b>                      | <b>109,038</b>        | <b>1,497,669</b>              | <b>-</b>                                | <b>1,606,707</b> |

Total governance costs were £14,996 (2024: £21,564).

### Prior period comparative (restated)

|                                               | Raising<br>funds<br>£ | Charitable<br>activities<br>£ | Support and<br>governance<br>costs<br>£ | 2024 Total<br>£ |
|-----------------------------------------------|-----------------------|-------------------------------|-----------------------------------------|-----------------|
| Grants payable (note 6)                       | -                     | 285,225                       | -                                       | 285,225         |
| Staff costs (note 8)                          | -                     | 66,544                        | 40,785                                  | 107,329         |
| Investment management costs                   | 55,193                | -                             | -                                       | 55,193          |
| Accountancy and payroll                       | -                     | -                             | 15,242                                  | 15,242          |
| Travel                                        | -                     | -                             | 3,040                                   | 3,040           |
| Membership fees                               | -                     | -                             | 5,796                                   | 5,796           |
| Consultants                                   | -                     | -                             | 1,100                                   | 1,100           |
| Bank charges                                  | -                     | -                             | 932                                     | 932             |
| Insurance                                     | -                     | -                             | 1,485                                   | 1,485           |
| IT                                            | -                     | -                             | 1,066                                   | 1,066           |
| Legal fees                                    | -                     | -                             | 6,321                                   | 6,321           |
| <b>Sub-total</b>                              | 55,193                | 351,769                       | 75,767                                  | 482,729         |
| Allocation of support and<br>governance costs | -                     | 75,767                        | (75,767)                                | -               |
| <b>Total expenditure</b>                      | <b>55,193</b>         | <b>427,536</b>                | <b>-</b>                                | <b>482,729</b>  |

## Treebeard Trust

### Notes to the financial statements

#### For the year ended 31 December 2025

##### 6. Grants payable

During the year, 29 grants were awarded to 27 institutions (2024: 18 to 18 institutions). No grants were paid to individuals (2024: none).

A breakdown of the material grants awarded (over and including £25,000 in either year) is as follows:

|                                                 | <b>2025</b>      |                |
|-------------------------------------------------|------------------|----------------|
|                                                 | <b>Total</b>     |                |
|                                                 | <b>£</b>         |                |
| Cody Dock/Gaswork Dock Partnership              | <b>180,000</b>   |                |
| Cohere                                          | <b>30,000</b>    |                |
| Duara Education                                 | <b>37,262</b>    |                |
| Egmont Trust                                    | <b>180,000</b>   |                |
| Furnishing Futures                              | <b>120,000</b>   |                |
| Hopskotch Women's Centre                        | <b>30,000</b>    |                |
| Howard League for Penal Reform                  | <b>180,000</b>   |                |
| Info Latinos                                    | <b>40,000</b>    |                |
| Lighthouse                                      | <b>110,000</b>   |                |
| Re-Alliance                                     | <b>150,000</b>   |                |
| RLabs Tanzania                                  | <b>30,000</b>    |                |
| Young Wilders                                   | <b>150,000</b>   |                |
| 15 grants less than £25,000                     | <b>134,394</b>   |                |
| <b>Total grant commitments made in the year</b> | <b>1,371,656</b> |                |
| <b>Prior period comparative:</b>                | Restated         |                |
|                                                 | 2024             |                |
|                                                 | Total            |                |
|                                                 | £                |                |
| Egmont Trust                                    | 30,000           |                |
| Seed Sovereignty (Gaia Foundation)              | 50,000           |                |
| The Fore                                        | 30,000           |                |
| 15 grants less than £25,000                     | 175,225          |                |
| <b>Total grant commitments made in the year</b> | <b>285,225</b>   |                |
| <b>Reconciliation of grants payable</b>         | Restated         |                |
|                                                 | 2025             | 2024           |
|                                                 | Total            | Total          |
|                                                 | £                | £              |
| Commitments brought forward                     | <b>302,000</b>   | 964,000        |
| Net commitments made in the year                | <b>1,371,656</b> | 285,225        |
| Payments during the year                        | <b>(898,656)</b> | (947,225)      |
| <b>Commitments carried forward</b>              | <b>775,000</b>   | <b>302,000</b> |

## Treebeard Trust

### Notes to the financial statements

#### For the year ended 31 December 2025

##### 7. Net movement in funds

This is stated after charging:

|                                         | 2025<br>£ | 2024<br>£ |
|-----------------------------------------|-----------|-----------|
| Trustees' remuneration                  | Nil       | Nil       |
| Trustees' expenses                      | 138       | Nil       |
| Auditors' remuneration (excluding VAT): |           |           |
| ▪ Statutory audit                       | 12,638    | 11,608    |
| ▪ Other services                        | -         | 1,094     |

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statements.

Two trustees were reimbursed travel expenses totalling £138 in the year (2024: £nil).

##### 8. Staff costs and numbers

Staff costs were as follows:

|                       | 2025<br>£     | 2024<br>£      |
|-----------------------|---------------|----------------|
| Salaries and wages    | 84,150        | 87,420         |
| Social security costs | 2,622         | 10,489         |
| Pension costs         | 8,415         | 9,420          |
|                       | <b>95,187</b> | <b>107,329</b> |

No employee earned more than £60,000 during the current or prior year.

The key management personnel of the charity comprise the Trustees, Grants Director and Investment Director. The total employee benefits of the key management personnel were £95,187 (2024: £107,329).

|                    | 2025<br>No. | 2024<br>No. |
|--------------------|-------------|-------------|
| Average head count | <b>1.75</b> | <b>2.00</b> |

##### 9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

# Treebeard Trust

## Notes to the financial statements

For the year ended 31 December 2025

### 10. Fixed asset investments

|                                    | <b>2025<br/>Total<br/>£</b> | Restated<br>2024<br>Total<br>£ |
|------------------------------------|-----------------------------|--------------------------------|
| Investment shares (note 11)        | <b>15,455,536</b>           | 14,552,520                     |
| Managed funds (note 12)            | <b>3,003,499</b>            | 3,529,110                      |
| Social investment loans (note 13)  | <b>1,515,511</b>            | 1,349,568                      |
| <b>Market value at 31 December</b> | <b><u>19,974,546</u></b>    | <b><u>19,431,198</u></b>       |

### 11. Investment shares

|                                         | Social<br>investments<br>£ | Financial<br>investments<br>£ | <b>2025<br/>Total<br/>£</b> |
|-----------------------------------------|----------------------------|-------------------------------|-----------------------------|
| Market value at 1 January 2025          | 3,872,318                  | 10,680,202                    | <b>14,552,520</b>           |
| Additions                               | 464,212                    | 7,502,994                     | <b>7,967,206</b>            |
| Disposals proceeds                      | (50,927)                   | (7,577,959)                   | <b>(7,628,886)</b>          |
| Revaluations                            | 516,227                    | 38,256                        | <b>554,483</b>              |
| Net gains / (losses)                    | -                          | 10,213                        | <b>10,213</b>               |
| <b>Market value at 31 December 2025</b> | <b><u>4,801,830</u></b>    | <b><u>10,653,706</u></b>      | <b><u>15,455,536</u></b>    |

| <b>Prior period comparative (restated)</b> | Social<br>investments<br>£ | Financial<br>investments<br>£ | 2024<br>Total<br>£       |
|--------------------------------------------|----------------------------|-------------------------------|--------------------------|
| Market value at 1 January 2024             | 3,600,915                  | 5,679,329                     | 9,280,244                |
| Additions                                  | 553,110                    | 7,635,212                     | 8,188,322                |
| Disposals proceeds                         | (11,563)                   | (2,757,838)                   | (2,769,401)              |
| Revaluations                               | (270,144)                  | 33,474                        | (236,670)                |
| Net gains / (losses)                       | -                          | 90,025                        | 90,025                   |
| <b>Market value at 31 December 2024</b>    | <b><u>3,872,318</u></b>    | <b><u>10,680,202</u></b>      | <b><u>14,552,520</u></b> |

Social investments comprise unlisted equity investments which are held in line with accounting policy 1(g). Investments which have a reliable indication of value (such as a share valuation from a recent funding round) are held at fair value. If there is no recent available information with which the charity is able to make a fair value assessment (usually within the previous 12 months), the investment is determined to be held at amortised cost where the most recent fair value is used as the deemed cost, as permitted under FRS 102 s.2A.23.

Financial investments comprise listed investments and investments in liquidity funds, held at fair value in line with accounting policy 1(h), and one unlisted equity investment with a value of £631,231 at 31 December 2025 which is held in line with accounting policy 1(g) and above.

## Treebeard Trust

### Notes to the financial statements

For the year ended 31 December 2025

#### 11. Investment shares (continued)

##### Reconciliation of social investment holdings

|                                                                  | 2025                    | 2024                    |
|------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                  | £                       | £                       |
| Investments held at fair value                                   | 1,651,197               | 2,143,280               |
| Investments held at cost less impairment (including deemed cost) | <u>3,150,633</u>        | <u>1,729,038</u>        |
|                                                                  | <u><b>4,801,830</b></u> | <u><b>3,872,318</b></u> |

Included within social investment assets is one investment made through a Simple Agreement for Future Equity (SAFE), entered into in furtherance of the charity's objectives, with a carrying value included within unlisted equity investments as at 31 December 2025.

Under the terms of the SAFE, the amount advanced may convert into an equity interest in the recipient organisation upon the occurrence of specified future events. The charity has considered the requirements of FRS 102 in respect of financial instruments and has concluded that the arrangement gives rise to a non-basic financial instrument due to the presence of a conversion feature.

Its value is not material in the context of the financial statements as a whole. The charity has not separately disclosed or disaggregated this instrument from other unlisted equity investments. The trustees consider that this presentation provides a fair and proportionate reflection of the charity's financial position.

The trustees keep such arrangements under review and will reconsider the accounting treatment and level of disclosure should the number or significance of SAFE investments increase in future periods.

#### 12. Managed funds

|                                        | 2025                    | Restated<br>2024        |
|----------------------------------------|-------------------------|-------------------------|
|                                        | Total                   | Total                   |
|                                        | £                       | £                       |
| Market value at 1 January              | 3,529,110               | 7,209,226               |
| Additions                              | 563,167                 | 1,781,852               |
| Disposals                              | (1,407,409)             | (5,691,908)             |
| Revaluations                           | 411,226                 | 229,940                 |
| Net management fees deducted in specie | <u>(92,595)</u>         | <u>-</u>                |
| <b>Market value at 31 December</b>     | <u><b>3,003,499</b></u> | <u><b>3,529,110</b></u> |

## Treebeard Trust

### Notes to the financial statements

For the year ended 31 December 2025

#### 13. Social investment loans

|                                      | 2025<br>Total<br>£      | Restated<br>2024<br>Total<br>£ |
|--------------------------------------|-------------------------|--------------------------------|
| Net book value at 1 January          | 1,349,568               | 814,843                        |
| New in year                          | 523,333                 | 777,664                        |
| Repayment in year                    | (292,958)               | (214,390)                      |
| Impairments                          | <u>(64,432)</u>         | <u>(28,549)</u>                |
| <b>Net book value at 31 December</b> | <b><u>1,515,511</u></b> | <b><u>1,349,568</u></b>        |

Social investments loans include £637,899 held outside of the UK. This includes £323,333 advanced in the period to entities outside of the UK.

The charity does not have original cost information surrounding assets transferred from the former Charity. All investments are stated at values according to the accounting policies adopted.

Included within social investment loans are three convertible loan arrangements entered into in furtherance of the charity's objectives with a total value of £421,462 as at 31 December 2025. These loans include provisions under which the amounts advanced may convert into equity interests in the recipient organisations upon the occurrence of specified future events.

The charity has assessed these instruments against the requirements of FRS 102 and determined that, while they meet the definition of non-basic financial instruments due to the presence of conversion features, the potential equity component is not material to the financial statements as a whole. Accordingly the charity has not separated the embedded conversion option and has instead accounted for these arrangements as loans measured at amortised cost. This treatment is not considered to have a material impact on the reported financial position or financial performance of the charity. The trustees keep these arrangements under review and will reconsider the accounting treatment and disclosures should the scale or significance of such instruments increase in future periods.

#### 14. Investment property

|                                | Total<br>£              |
|--------------------------------|-------------------------|
| <b>Cost</b>                    |                         |
| At 1 January 2025 (restated)   | 2,000,000               |
| Revaluation                    | <u>(120,000)</u>        |
| <b>Market value</b>            |                         |
| <b>At 31 December 2025</b>     | <b><u>1,880,000</u></b> |
| At 31 December 2024 (restated) | <u>2,000,000</u>        |

**Treebeard Trust**

**Notes to the financial statements**

**For the year ended 31 December 2025**

**15. Debtors**

|               | 2025<br>£            | 2024<br>£            |
|---------------|----------------------|----------------------|
| Other debtors | <u>15,415</u>        | <u>26,621</u>        |
|               | <u><u>15,415</u></u> | <u><u>26,621</u></u> |

**16. Creditors: amounts falling due within 1 year**

|                         | 2025<br>£             | Restated<br>2024<br>£ |
|-------------------------|-----------------------|-----------------------|
| Trade creditors         | -                     | 1                     |
| Grants payable < 1 year | 465,000               | 302,000               |
| Accruals                | 15,165                | 11,880                |
| Other creditors         | <u>419</u>            | <u>1,277</u>          |
|                         | <u><u>480,584</u></u> | <u><u>315,158</u></u> |

**17. Creditors: amounts falling due in more than 1 year**

|                         | 2025<br>£             | 2024<br>£       |
|-------------------------|-----------------------|-----------------|
| Grants payable > 1 year | <u>310,000</u>        | <u>-</u>        |
|                         | <u><u>310,000</u></u> | <u><u>-</u></u> |

**18. Operating leases as lessor**

The charity leases out commercial property under an operating lease. Lease income is recognised on a straight-line basis over the lease term. Future minimum lease receipts under non-cancellable operating leases are as follows:

|                         | 2025<br>£             | 2024<br>£             |
|-------------------------|-----------------------|-----------------------|
| Amount falling due:     |                       |                       |
| Within 1 year           | 100,000               | 100,000               |
| Within 1 - 5 years      | 400,000               | 400,000               |
| After more than 5 years | <u>100,000</u>        | <u>200,000</u>        |
|                         | <u><u>600,000</u></u> | <u><u>700,000</u></u> |

## Treebeard Trust

### Notes to the financial statements

#### For the year ended 31 December 2025

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##### 19. Financial instruments at fair value

|                                         | 2025<br>£         | 2024<br>£         |
|-----------------------------------------|-------------------|-------------------|
| Financial assets measured at fair value | <u>17,188,402</u> | <u>18,352,592</u> |

Financial assets measured at fair value comprise financial investment shares, managed funds, investment property, and those unlisted social investments which are held at fair value per note 11.

##### 20. Related party transactions

In the prior year, £1,100 was paid in fees to Yellow Hat Advisory in exchange for coaching services provided to the CEO of one of Treebeard Trust's charity partners. Yellow Hat Advisory is owned and operated by Andrew Purvis, a trustee of Treebeard Trust. There were no transactions with Yellow Hat Advisory in the current year, and no amounts outstanding at either year end.

Barnaby Wiener, a trustee, is a director of two companies in which the charity has an investment (Student Tribe and Pathfinder). The value of these investments at 31 December 2025 was £635,231 (Student Tribe, 2024: £592,974) and £637,500 (Pathfinder, 2024: 637,500). In the year, Treebeard Trust received a dividend payment of £15,871 from Student Tribe (2024: £nil).

Elisabeth Barrett, a trustee, is also a trustee of Breakthrough Collaborative and Cincinnati Ballet. During the year Treebeard Trust awarded grants of £18,617 to Breakthrough Collaborative (2024: £nil) and £3,802 to Cincinnati Ballet (2024: £nil). No amounts were outstanding at the year-end.