REGISTERED COMPANY NUMBER: 07715471 (England and Wales)
REGISTERED CHARITY NUMBER: 1145084

HUMAN CAPABILITY FOUNDATION

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

Berringers LLP
Chartered Accountants
and Statutory Auditors
3rd Floor, Imperial House
21 - 25 North Street
Bromley
Kent
BR1 1SD

HUMAN CAPABILITY FOUNDATION

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for the year ended 31 December 2025

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HUMAN CAPABILITY FOUNDATION

REPORT OF THE TRUSTEES
for the year ended 31 December 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the audited consolidated financial statements of the charity for the year ended 31 December 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Human Capability Foundation (HCF) is a grant-making foundation with the objective of promoting such purposes as are exclusively charitable in accordance with the laws of England and Wales as the trustees may from time to time determine. The Foundation's primary focus is in India and on the issues of:

- Women & girls' rights and gender equity
- Sexual and reproductive health rights
- Rights of economically and socially marginalised people
- Mental health and disability rights
- Labour and migration rights
- Environmental protection and climate change mitigation
- Arts and Cultural Expression

The HCF seeks to build long-term funding relationships with non-governmental organisations (NGOs) and community-based organisations (CBOs). Support of NGOs and CBOs will enhance the capability of individuals and communities to manifest self-sustaining and rewarding lives for themselves, their communities and future generations. It will foster local knowledge and expertise so that communities themselves are better able in the long-term to demand their rights.

The HCF uses a number of different measures to assess success. The HCF should:

- Ensure grantees have been able to carry out their work effectively and in line with what was agreed between themselves and the HCF.
- Ensure that work done by grantees can lead to the realisation of people's rights, and can challenge and transform the societal structures that marginalise people.
- Ensure that our grantees strive to transfer knowledge and power to the marginalised people that they work with.
- Receive regular progress reports from our grantees which detail the achievements the organisation have had, what feedback the grantees have received from the people they work with, and new ideas for how to develop and refine their work.
- Receive continued donations and income in order to secure stability and the ability to provide multi-year grants.
- Maintain low costs in order to maximise the funds available for carrying out charitable activities.

The short-term aims of the HCF are to continue supporting organisations and identify new organisations who are working at the grassroots level in the most marginalised communities. The HCF wishes to remain an agile organisation that can respond quickly to emerging needs and requirements. Our medium-term aim is to ensure that we provide space for our grantees to innovate within their work, trying new initiatives and ideas. A long-term goal is to significantly increase our annual level of funding to capable organisations. This will increase the capabilities, rights and quality of life for communities that we seek to help.

Public benefit

The trustees have had regard to Charity Commission guidance on public benefit and consider that the objectives, aims and achievements of the charity described in the report enable it to meet its duty to the Charity Commission as per section 17 of the Charities Act 2011, and to the benefit of the public.

Going concern

After reviewing the group's forecasts and projections, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its financial statements.

REPORT OF THE TRUSTEES
for the year ended 31 December 2025

STRATEGIC REPORT
Achievements and performance
Charitable activities

This year HCF have continued to support a significant number of NGOs, with grants approved during the year totalling £2,853,819 (2024: £1,947,029). The grants have been distributed in accordance with the charitable objectives as below:

	2025	2024
	£	£
- Women and girls' rights and empowerment	**545,758**	386,803
- Sexual and reproductive health rights	**89,813**	154,040
- Gender equality	**913**	27,538
- Rights of economically and socially marginalised groups	**143,364**	14,109
- Mental health and disability rights	**298,717**	258,469
- Labour & migration rights	**188,368**	169,265
- Environmental protection and climate change mitigation	**360,531**	307,392
- Children & youth education	**597,899**	478,339
- Arts & cultural expression	**90,616**	151,074
- Media & journalism	**143,153**	-
- Sports	**22,410**	-
- Social science research	**372,277**	-
	2,853,819	1,947,029

For the most part, HCF does not accept unsolicited applications and instead invites and commissions proposals. In the coming year, the team will undertake visits to different states to identify potential new grantees and will seek referrals from existing grantees and other donors to broaden the grantee base. HCF funds both core operating costs and project-specific expenses, in line with its objective of supporting a healthy civic society in which charities and NGOs are able to sustain their work and pursue activities aligned with their charitable purposes. Grantees must be registered charitable organisations in India, and their aims and activities must be legally charitable.

HCF supports organisations of varying sizes. The trustees seek to ensure that grassroots and small-to-medium-sized organisations are able to access funding, while also supporting larger organisations where scale is necessary to advance specific objectives or address particular gaps. In some cases, HCF provides funding to intermediary donors that have established networks and expertise in areas beyond HCF's direct reach. In such instances, funding is restricted to donors whose values align with those of HCF and whose administrative costs are proportionate, so that the majority of funds reach intended beneficiaries. Grant sizes are flexible. Smaller grants of approximately £10,000 may be made to support emerging organisations. For first-time grantees, the usual upper limit is £30,000 for a 12-month grant in the first year.

In 2025, HCF increased its grant expenditure, reflecting our ongoing commitment to growth. We identified new grantees and consultants who received initial funding during the year. In total, 52 organisations and enterprises across 16 states were supported. We continued funding the majority of organisations supported in the previous year and strengthened our internal capacity to meet our long-term goal of increasing grant expenditure.

Providing space for innovation within grantee work remains an area of focus. Under Dream Project I, initial grants were released in 2023, and a third year of funding was provided in 2025. Building on its success, Dream Project II was launched, with six organisations selected by an independent external jury. The first round of grants to these organisations was disbursed in 2025.

Dream Project I initiatives were extensively documented through written and audiovisual formats. In 2025, short films featuring all 11 Dream Project I grantees were finalised and shared with them for wider dissemination.
During 2025, HCF conducted 22 site visits to grantees and two visits to potential grantees. We also held multiple scoping calls with prospective partners and maintained regular engagement with Indian and international donors to strengthen the broader donor ecosystem and share knowledge about impactful organisations. We convened meetings and workshops for our grantees to foster learning, collaboration, and inspiration. These included a workshop on Financial Management, Internal Controls, and Statutory Compliances; a workshop on Narrative Practices for select grantees; and a workshop on Mental Health and Suicide Prevention. These efforts further our aim of strengthening local organisations and promoting a resilient civic society.

STRATEGIC REPORT

Achievements and performance

Our grantees were largely able to carry out their planned activities. We continue to invite proposals in local languages and to cover translation costs into English. This approach enables us to reach organisations that may have previously been excluded from funding due to limited English proficiency and aligns with our commitment to supporting marginalised communities.

In 2025, Crossing the Divide, a film by Raghav Pasricha and Eva Zanettin on the Bauls and Fakirs of West Bengal, had seven screenings across Italy and received Best Documentary awards at three festivals.

Queerbeat, a publication focused on India's LGBTQIA+ communities, received three awards: the Project Siren Award for reporting on suicide prevention; the Rainbow Award for Literature for a long-form feature on a lesbian relationship in small-town India; and the Laadli Media and Advertising Award for a report highlighting discriminatory attitudes faced by queer individuals seeking testing for sexually transmitted infections.

Dr Lalitha Regi and Dr Regi George of Tribal Health Initiative were announced as co-recipients of the Paul Farmer Award for Global Health Equity at McGill University.

The work of these awardees are supported by HCF.

Financial Review

Total grants approved by the foundation in 2025 were £2,853,819 (2024: £1,947,029). Total donations received by the Group in 2025 amounted to £1,200,000 (2024: £13,055,883). Individual charity donations in 2025 amounted to £6,898,702 (2024: £15,496,129).

The trustees believe that the valuation of the investment properties as at 31 December 2025 are not materially different to their market values. The trustees are not qualified surveyors but believe that this valuation method represents a sufficiently accurate estimation without the need to spend any of the charity's funds on professional valuations.

During the year rental income received from the properties owned by HCF amounted to £1,173,445 (2024: £1,253,556). After consolidation and elimination of group rents, the rental income for the Group was £968,445 (2024: £1,048,556) These properties provide on-going monthly sources of income from the rent.

The HCF holds reserves because we plan to be a long-term funder providing small and medium-sized grants to organisations. At the year-end total reserves held by the Group were £94,733,795 (2024: £95,261,466). Parent charity reserves were £103,971,681 (2024: £108,712,840). We hold reserves to ensure that we can commit to multi-year funding for grantees.

Through its trading subsidiary Downing Sustainable Investment I Ltd (DSII), we invested £11.7m in renewable energy projects. We have judged that a renewable energy portfolio is in line with our charity's ethics as the funds are used to create green energy resources. HCF is able to secure a high return/risk ratio on its renewable energy investments due to the institutional expertise it has developed through several years of work in the sector. A high proportion of the income from these investments derives from feed-in-tariffs which are UK government-backed, and therefore pose a very low credit risk. A high proportion of the future income is also linked to inflation indices, which protects the real value of our reserves from being eroded by inflation. These investments are designed to provide a flow of income throughout their life rather than simply capital appreciation, which makes them suitable for supporting a future stream of grant-making expenditure. DSII is managed by HCF and Downing LLP. At the end of the year, operations within DSII are proceeding as planned. During the year the investment in DSII was impaired to reflect the fair value of the underlying investments. At the date of finalising these accounts in October 2026, we are continuing to examine potential new investments in renewable energy.

STRATEGIC REPORT
Financial Review

DSII has the following subsidiaries:
Scots Wind Property Ltd: this is the direct subsidiary of Downing Sustainable Investment I Limited and is the holding company incorporated for executing the investments in wind energy. The company is engaged in holding functions only and has no operational activities.
Sustainable Land Acquisitions Ltd: this is a direct subsidiary of Scots Wind Property Ltd. It is the acquisition company, which acquired the operating company Stronelairg Wind Estate Ltd, which owns the wind energy asset. Sustainable Land Acquisitions Ltd is the borrower of financial debt against financial institutions, whose project finance debt has been used to fund the acquisition of Stronelairg Wind Estate Ltd.
Homer Renewables Ltd: this is a direct subsidiary of Downing Sustainable Investment I Ltd, which was incorporated in August 2024 as the holding company for the acquisition of six companies (AMP HA001 Ltd, AMP HA004 Ltd, AMP HA005 Ltd, AMP HA006 Ltd, AMP HA008 Ltd and AMP HA010 Ltd) holding solar panels as energy generating assets.
Curlew Power Ltd - this is a direct subsidiary of Downing Sustainable Investment I Ltd, and holds two wind energy assets.

In December 2024, HCF invested $650,000 USD in the equity of Nithio Holdings Inc., which adds to its May 2023 investment of $2,181,224 USD in that company. Nithio is a fintech start-up that analyses credit risk to increase funding of distributed renewable energy in Africa, to combat climate change and universalise access to electricity. This investment is designed to support the UN sustainable Development Goals, as well as to provide a financial return.

HCF trading subsidiary, Trigon Snacks Trading Ltd, a nut-roasting business, made a net loss of £1,196,160 in 2025 (2024: £891,951 loss) due to delays in passing on increased raw material and overhead costs to its customers. A further, albeit significantly smaller, loss is forecast for 2026, followed by a return to break-even in 2027. The share capital of Trigon Snacks Trading Ltd was donated to the charity in 2018 and 2020, in order for the charity to have a source of future revenue.

Achievements and performance
HCF's assets include loans to related parties (its direct subsidiary Trigon Snacks Trading Ltd, as well as Natco Foods Ltd and T. Choithram & Sons (London) Ltd). These loans were assigned to HCF as donations by the original lender. HCF was not involved in the lending process itself. After receiving the benefit of the loans, HCF has assessed the credit-worthiness of the debtors and found it satisfactory. Our long-term financial plans are to increase the level of funds we have in order to be able to make grants to a larger number of organisations. HCF will continue to provide long-term, core grants of unrestricted funds to NGOs as this allows the organisations to have stability and do the work that they truly feel is important.

HCF Reserves Policy
Although it is 14 years old, the charity is still in the first stage in its planned evolution. The trustees intend for the charity to be able to support long term projects consistently for the duration of gradual processes of structural change over 30-40 years. The charity does not have any public fund-raising activities and is reliant on a small number of private donors whose ability to donate in the future is not guaranteed.

Developing and expanding our grant-making systems is a gradual process in which our working relationships with grantees accumulate. Our grants expenditure has increased significantly and will continue to increase over the lifetime of the charity. Our income from donations is likely to be higher in the first phase of its evolution before declining when our small pool of private donors has depleted. Therefore, it is prudent for the charity to hold reserves in a variety of lower-risk investments to generate future income for the charity. It is intended that in the later stages of the charity's lifecycle, the expenditure will be higher than the income.

At 31 December 2025, the Group held unrestricted funds of £94.7 million. However, the trustees recognise that the total level of unrestricted funds does not represent funds that are all immediately available to support the Group’s charitable activities, as a significant proportion is represented by investment property, tangible fixed assets, investments, stock and debtors, net of associated liabilities. The trustees therefore consider the Group’s free reserves separately from its total unrestricted funds, having regard to the liquidity and availability of the underlying assets, the Group’s existing commitments and liabilities, anticipated future grant expenditure and the expected variability in future income. The trustees’ policy is to maintain sufficient free reserves to enable the Charity to meet its planned charitable expenditure and commitments whilst providing an appropriate level of financial resilience against fluctuations in income and the trading performance of its subsidiaries.

STRATEGIC REPORT
Principal risks and uncertainties

Group and trading subsidiary risk

The trading subsidiary Trigon Snacks Trading Ltd forms a relatively small portion of the charity's assets. It has been loss-making in recent years, which poses a risk for the charity if the value of that asset declines. Therefore, the trustees plan the charity's expenditure without assuming any future profitability or value realisation from this trading subsidiary. The trustees have ensured that the business has competent leadership and well-developed plans for improving its profitability.

A larger portion of the charity's assets are comprised of its trading subsidiary Downing Sustainable Investments I (DSII). The Charity has significant investments in renewable-energy assets through DSII. While these assets benefit from a high proportion of fixed revenues and relatively low operating costs, their values remain subject to asset valuation and impairment risk, financing costs, inflation and indexation assumptions, and operational performance. The Trustees regularly review the performance and carrying value of these investments and consider appropriate mitigating actions where required.

Loans and credit risk

Loans from HCF to the trading subsidiaries - when HCF has temporarily unutilised liquid funds they search for opportunities to invest those funds to produce ongoing income to for the charities to use to fund their future grant-making. Sometimes the charity has liquid funds that are available to invest only for the short-term. In such cases it can be advantageous for the charities to lend those funds to their trading subsidiaries to earn a higher rate of interest than they can obtain by keeping the funds in bank deposits, while retaining the ability to withdraw the funds again at short notice whenever they are required. For the trading subsidiaries, these loans are approximately cost-neutral as they replace bank borrowing at similar interest rates.

Loans directly to non-group entities – HCF was assigned the benefit of a loan owed by Crown Network Ltd. The charity was donated this loan by a third party and did not make the loan itself. The loan is not due for repayment for several more years.

Investment risk

Apart from the loans detailed above, and the Trigon and DSII ownership, the other significant investment asset is the Natco building in Buckingham. HCF earns rental income from this property, which is occupied by Natco Foods Ltd. We consider this low risk because the business that occupies it is very consistently profitable and the building is in very good condition. HCF has an investment in Nithio, which is considered higher risk as the business is a start-up in the renewable energy fintech sector, which is inherently more volatile. The Nithio investment was always intended to be higher risk, taking into account the social and environmental benefits the company brings. The investment aims to provide energy access for low-income people in Africa, thus contributing directly to the charity's poverty alleviation goals; and to bring environmental benefits by displacing fossil fuels, particularly diesel generators.

Liquidity and borrowing risk

HCF does not currently have any borrowings. It maintains sufficient liquidity by keeping a combination of cash reserves, and the ability to withdraw liquidity from its debtors, in particular TCS London and Natco Foods, which have ample bank facilities. It also has regular rental income and interest income, which enables it to fund regular grant-making. HCF would consider borrowing against its property assets in the future, to fund further investments in the renewable energy sector, where it has assessed such arrangements are prudent.

Foreign exchange risk

HCF has assets denominated primarily in GBP but commits to grants primarily in Indian rupees. This produces a risk of grant-making being more costly in GBP terms than forecast. The costs of hedging this foreign exchange risk are deemed too high in proportion to the benefit. Therefore, the trustees have decided to leave this risk unhedged, as the charity maintains enough assets relative to its grant commitments to be able to absorb any adverse currency movements.

Grant-making and overseas activities

HCF makes grants to NGOs in India. We are responsible for ensuring that the grants we make are ultimately employed only for charitable purposes. We have a team of experienced, qualified personnel based in India who conduct robust procedures before the grant is made, during the life of the grant, and after the grant has concluded, to ensure that the grantees are in compliance with all relevant Indian regulations, and to ensure the funds are utilised in accordance with our charitable aims.

Legal and regulatory risk
HCF cooperates with the UK's Charity Commission in answering any queries they have about the charity's governance and activities. HCF takes legal advice whenever needed, drawing on the expertise of specialists in charity law, renewable energy, and other relevant areas of law in multiple jurisdictions.

Reputational risk
HCF does not have a significant public profile as it does not raise funds from the general public, nor engage in public advocacy. Reputational risks could arise from its trading subsidiaries, its trustees, or from its grant-making. Its trading subsidiaries operate in the food manufacturing sector and renewable energy, which do not tend to attract controversy. Those subsidiaries have well-established brands with a positive reputation that they are conscientious to maintain. Trustees can bring reputational risk to a charity but our trustees are not subjects of controversy, and are judicious in all their activities whether connected or unconnected to the charity. Our selection of grantees takes into account the potential for reputational risk, and we ensure that they can withstand scrutiny of their activities and their finances.

Future plans
In 2026, we will continue funding initiatives within our core focus areas while strengthening and deepening our overall engagement with grantees.

Beyond our regular grant-making activities, the following are planned for 2026:
- Increase overall grant expenditure by expanding the number of grantees.
- Undertake more frequent site visits to strengthen on-ground engagement and support.
- Build the financial compliance capacities of select grantees by engaging financial consultants to provide sustained, hands-on support.
- Advance the mapping of LBQ groups in India and collaboratively plan next steps with selected LBQ organisations.

We also plan to organise the following workshops and convenings for grantees in 2026:
1. A workshop on Silicosis for select grantees working on this issue.
2. A workshop on Gender, Sexuality and Disability.
3. A two-day workshop focused on understanding Artificial Intelligence.
4. A Financial Management, Internal Controls, and Statutory Compliances workshop for grantees who were unable to attend in 2025.
5. A convening of Dream Project 2 grantees to facilitate shared learning and collaboration.

These initiatives are planned with an objective on expanding financial support, strengthening knowledge, compliance, collaboration, and long-term impact across our grantee network.

STRUCTURE, GOVERNANCE AND MANAGEMENT
Governing document
The Human Capability Foundation is a charitable company limited by guarantee, incorporated in December 2011.

Organisational structure
The three trustees are:
Luke Pagarani
Davinder Pagarani
Natasha Pagarani

The trustees are also company directors. Under the requirements of the Memorandum and Articles of Association, the directors retire on an annual basis and, being eligible, offer themselves for re-election.
Natasha Pagarani is the Foundation's Secretary and the three trustees jointly manage the Foundation, meeting informally on a regular basis to discuss grants, funding and other activities.

Trustees are recruited and appointed in accordance with the charity's governing document, taking account of the skills and experience required by the Board, and new trustees receive appropriate induction and ongoing training. The trustees receive no remuneration from the charity. The remuneration of key management personnel employed by trading subsidiaries is determined locally by the relevant subsidiary.

STRATEGIC REPORT
STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

In 2025, HCF received the following distributions from its subsidiary undertakings:

	2025	2024
	£	£
Stronelairg Wind Estate Ltd	**2,787,703**	3,787,230
AMP HA001 Ltd	**414,000**	-
AMP HA004 Ltd	**86,000**	-
AMP HA005 Ltd	**181,000**	-
AMP HA006 Ltd	**97,000**	-
AMP HA008 Ltd	**137,000**	-
AMP HA010 Ltd	**106,000**	-
Curlew Power Ltd	**1,890,000**	-

The following donations were received in 2025:

Giant Export Services Ltd	**1,200,000**	700,000
Choithram International Foundation	**-**	11,555,883
Kamakshi Inc (Property)	**-**	350,000
Kistar Global Ltd	**-**	450,000

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
07715471 (England and Wales)

Registered Charity number
1145084

Registered office
c/o Natco Cash & Carry
Silverdale Industrial Estate
Silverdale Road
Hayes, London
UB3 3BL

Trustees
Miss N Pagarani
L Pagarani
D Pagarani

Company Secretary
Miss N Pagarani

Auditors
Berringers LLP
Chartered Accountants and Statutory Auditors
3rd Floor, Imperial House
21 - 25 North Street
Bromley Kent
BR1 1SD

Solicitors
Wellers Law Group LLP
Tenison House
Tweedy Road
Bromley
BR1 3NF

Bankers
Union Bancaire Privée (UK) Ltd
One Bank Street
London
E14 4SG

Barclays Bank Plc
1 Churchill Place
London
E14 5HP

REFERENCE AND ADMINISTRATIVE DETAILS

EVENTS SINCE THE END OF THE YEAR
Information relating to events since the end of the year is given in the notes to the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES
The trustees (who are also the directors of Human Capability Foundation for the purposes of company law) are responsible for preparing the Report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

In so far as the trustees are aware:

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

AUDITORS
The auditors, Berringers LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a Strategic report, approved by order of the board of trustees, as the company directors, on 30 October 2026 and signed on the board's behalf by:

Miss N Pagarani - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HUMAN CAPABILITY FOUNDATION

Opinion
We have audited the consolidated financial statements of Human Capability Foundation (the parent 'charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2025 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the consolidated cash flow statement and notes to the consolidated financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated 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 consolidated 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 trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Report of the independent auditors thereon.

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

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

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the trustees for the financial year for which the consolidated financial statements are prepared is consistent with the financial statements; and
- the Report of the trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Statement of trustees' responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

- the nature of the industry, control environment and business performance;
- results of our enquiries to management about their own assessment of the risks of fraud and error;
- the matters discussed among the audit engagement team regarding how and where fraud may occur in the financial statements and any potential indicators of fraud.

Our procedures to respond to risk include the following:

- reviewing the financial statement disclosures and testing to supporting documentation;
- performing analytical procedures to identify any unusual or unexpected areas that may indicate risks of material misstatement due to fraud or error;
- addressing the risk of fraud and error through management override of controls, testing the appropriateness of journals, assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HUMAN CAPABILITY FOUNDATION

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Allan BSocSc FCA (Senior Statutory Auditor)
for and on behalf of Berringers LLP
Chartered Accountants
and Statutory Auditors
3rd Floor, Imperial House
21 - 25 North Street
Bromley
Kent
BR1 1SD

Date: 30 October 2026

HUMAN CAPABILITY FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the year ended 31 December 2025

	Notes	**2025 Unrestricted fund £**	2024 Unrestricted fund £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3	**1,200,000**	13,055,883
Other trading activities			
Commercial trading operations	8	**27,628,257**	27,351,892
Investment income	4	**3,470,426**	4,046,007
Total		**32,298,683**	44,453,782
EXPENDITURE ON			
Costs of raising funds			
Commercial trading operations	8	**28,059,956**	28,577,046
Charitable activities			
Grants	6	**2,853,819**	1,947,029
Other	7	**2,361,342**	555,440
Total		**33,275,117**	31,079,515
Net gains/(losses) on investments			
Unrealised gains/(losses) on fixed asset investments	15	**(48,711)**	(477,656)
Realised gains/(losses) on fixed asset investments	15	**884,856**	6,374
Gain/(loss) on sale of investment property	15	**(387,382)**	-
NET INCOME		**(527,671)**	12,902,985
NET MOVEMENT IN FUNDS		**(527,671)**	12,902,985
RECONCILIATION OF FUNDS			
Total funds brought forward as previously reported	23	**95,261,466**	83,534,113
Prior year adjustment		-	(1,175,632)
TOTAL FUNDS CARRIED FORWARD		**94,733,795**	95,261,466

The consolidated statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure has arisen from continuing activities of the group.
The notes to the accounts are shown on pages 16 to 34.

The notes form part of these financial statements

HUMAN CAPABILITY FOUNDATION

CONSOLIDATED BALANCE SHEET
31 December 2025

		Group		Charity	
		2025	2024	**2025**	2024
		Unrestricted fund	Unrestricted fund	**Unrestricted fund**	Unrestricted fund
	Notes	**£**	£	**£**	£
FIXED ASSETS					
Intangible assets					
Goodwill	14	**48,560,909**	49,100,322	**-**	-
Tangible assets					
Tangible assets	13	**7,047,628**	6,993,414	**195,368**	236,325
Investments					
Investments	15	**2,385,468**	5,161,882	**33,051,499**	44,698,447
Investment property	16	**25,145,000**	27,640,000	**25,145,000**	27,640,000
		83,139,005	88,895,618	**58,391,867**	72,574,772
CURRENT ASSETS					
Debtors: amounts falling due within one year	17	**7,607,778**	8,137,385	**2,281,305**	1,254,061
Debtors: amounts falling due after more than one year	18	**32,737,309**	35,624,893	**37,626,310**	40,290,399
Stocks	19	**3,988,590**	4,152,710	**-**	-
Cash at bank		**12,307,538**	2,923,689	**9,541,391**	1,325,571
		56,641,215	50,838,677	**49,449,006**	42,870,031
CREDITORS					
Amounts falling due within one year	20	**(10,920,870)**	(13,400,799)	**(3,869,192)**	(6,731,963)
NET CURRENT ASSETS		**45,720,345**	37,437,878	**45,579,814**	36,138,068
TOTAL ASSETS LESS CURRENT LIABILITIES		**128,859,350**	126,333,496	**103,971,681**	108,712,840
CREDITORS					
Amounts falling due in more than one year	21	**(31,116,460)**	(31,072,030)	**-**	-
PROVISIONS					
Provision for liabilities		**(3,009,095)**	-	**-**	-
NET ASSETS		**94,733,795**	95,261,466	**103,971,681**	108,712,840
FUNDS	23				
Unrestricted funds		**94,733,795**	95,261,466	**103,971,681**	108,712,840
TOTAL FUNDS		**94,733,795**	95,261,466	**103,971,681**	108,712,840

The financial statements were approved by the Board of Trustees and authorised for issue on 30 October 2026 and were signed on its behalf by:

N Pagarani - Trustee

The notes form part of these financial statements

HUMAN CAPABILITY FOUNDATION

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2025

	Notes	**2025** **£**	2024 £
Cash flows from operating activities			
Cash generated from operations	1	**3,991,550**	(3,250,414)
Interest paid		**(2,064,824)**	(2,258,935)
Net cash (used in)/provided by operating activities		**1,926,726**	(5,509,349)
Cash flows from investing activities			
Purchase of tangible fixed assets		**(382,150)**	(185,910)
Sale of tangible fixed assets		**8,572**	10,000
Sale of investment property		**1,012,618**	-
Sale of investments		**3,612,560**	16,228
Purchase of fixed asset investments		**(11,745,784)**	(1,388,005)
Net cash on acquisition		**11,739,591**	767,144
Loans with associated companies		**4,782,456**	(6,897,848)
Rents and other income from investments		**1,013,457**	1,097,611
(Purchase)/sale of current asset investments		-	2,400,000
Interest received		**2,290,837**	2,713,799
Dividends received		**166,132**	234,597
Net cash provided by/(used in) investing activities		**12,498,288**	(1,232,384)
Cash flows from financing activities			
New loans in year		-	4,000,000
Loan repayments in year		**(5,041,165)**	-
Net cash (used in)/provided by financing activities		**(5,041,165)**	4,000,000
Change in cash and cash equivalents in the reporting period		**9,383,849**	(2,741,733)
Cash and cash equivalents at the beginning of the reporting period		**2,923,689**	5,665,422
Cash and cash equivalents at the end of the reporting period		**12,307,538**	2,923,689

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2025

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025	2024
	£	£
Net income for the reporting period (as per the Statement of financial activities)	**(527,671)**	12,902,985
Adjustments for:		
Depreciation charges	**855,362**	446,476
Amortisation of goodwill	**2,317,701**	2,212,256
Impairment losses	**1,095,000**	-
Finance costs	**2,064,824**	2,258,935
Interest received	**(2,290,837)**	(2,713,799)
Dividends received	**(166,132)**	(234,597)
Rent and other income from investments	**(1,013,457)**	(1,097,611)
Donated assets	-	(12,355,883)
Unrealised losses on fixed asset investments	**48,711**	477,656
Realised gains/(losses) on fixed asset investments	**(884,856)**	(6,374)
Increase in deferred tax provision	**61,118**	-
(Profit)/loss on sale of tangible fixed assets	**(5,444)**	-
Loss on sale of investment property	**387,382**	-
(Gain)/loss on foreign exchange	**365,128**	(83,697)
(Increase)/Decrease in stocks	**164,120**	(1,642,831)
(Increase) in debtors	**1,886,884**	(3,333,707)
(Decrease)/Increase in creditors	**(366,283)**	(80,223)
Net cash (used in)/provided by operations	**3,991,550**	(3,250,414)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.25	Cash flow	Non cash-flows	At 31.12.25
	£	£		£
Net cash				
Cash at bank	**2,923,689**	**9,383,849**	-	**12,307,538**
	2,923,689	**9,383,849**	-	**12,307,538**
Net debt				
Amounts falling due within one year	**(2,003,274)**	**(679,284)**	**(14,561)**	**(2,697,119)**
Amounts falling due after more than one year	**(31,072,030)**	**1,041,165**	**(1,085,595)**	**(31,116,460)**
Total borrowings	**(33,075,304)**	**361,881**	**(1,100,156)**	**(33,813,579)**
Net debt	**(30,151,615)**	**9,745,730**	**(1,100,156)**	**(21,506,041)**

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2025

1. STATUTORY INFORMATION

The Charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Natco Cash & Carry, Silverdale Industrial Estate, Silverdale Road, Hayes, London UB3 3BL.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets. The presentational currency of the group financial statements is the Pound Sterling (£).

Preparation of the accounts on a going concern basis
After reviewing the group's forecasts and projections, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its financial statements.

Consolidated financial statements
The financial statements consolidate the results of the charity and its wholly owned subsidiaries (detailed in note 8) on a line-by-line basis. Subsidiaries are fully consolidated from the date on which control is transferred to the group. Prior to this, Trigon Snacks Trading Ltd was accounted for as an associate. Associates are all entities over which the group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by Companies Act 2006, s. 408.

Significant judgements and estimates
The preparation of the financial statements requires the Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets, liabilities, income and expenditure. Estimates and judgements are based on historical experience and other factors considered relevant in the circumstances. Actual results may differ from these estimates.

The areas that the Trustees consider to involve the most significant judgements or sources of estimation uncertainty are set out below.

Investment properties
Investment properties are stated at fair value. In determining their carrying value, the Trustees consider available valuation evidence, including professional valuations where available, together with changes in market conditions and circumstances affecting individual properties since the date of the most recent valuation. The valuation of investment property is inherently judgemental and changes in the assumptions applied or market conditions could result in a material change in the carrying value of the properties.

Impairment of investment in subsidiary undertaking
The Charity's investment in Downing Sustainable Investments Limited ("DSII") is reviewed for indicators of impairment and, where indicators are identified, the Trustees assess the recoverable amount of the investment. This assessment requires judgement and estimation, particularly in relation to the value and future prospects of the underlying businesses and assets held within the DSII group. During the year, this assessment resulted in an impairment charge of £10.258 million against the Charity's investment in DSII.

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2. ACCOUNTING POLICIES (continued)

Goodwill
Goodwill arising on business combinations is amortised over its estimated useful economic life and is reviewed for impairment where indicators of impairment exist. Determining the appropriate useful economic life and whether goodwill is impaired requires judgement regarding the expected period over which the acquired businesses will generate economic benefits and their future financial performance. Changes in the assumptions relating to Goodwill could have a material effect on the financial statements.

Decommissioning provision
Provision is made for the estimated future costs of decommissioning relevant assets in the trading subsidiaries and restoring the associated sites at the end of their operational lives. The provision is based on estimates of the nature and extent of the work required, the expected timing of decommissioning, forecast future costs and, where applicable, the discount rate used to determine the present value of those costs. Given the long-term nature of these obligations, relatively small changes in the underlying assumptions may have a significant effect on the £2.880 million provision recognised.

Long-term debtors
The recoverability of long-term debtor balances is assessed by reference to the financial position and anticipated future cash flows of the relevant counterparties and other available evidence. This assessment requires judgement regarding the ability of those parties to settle the amounts due. At the year end, the Group's long-term debtors amounted to £32.737 million.

Business combinations
The recognition of assets and liabilities acquired through business combinations requires the allocation of the consideration paid to the identifiable assets and liabilities acquired at their fair values. The determination of those fair values involves judgement and estimation, particularly where market values are not directly observable. The resulting valuations also affect the amount of goodwill recognised on acquisition.

Stock valuation is reviewed at the end of the year, and key assumptions are made in relation to net realisable values and obsolete or slow-moving stocks. Where necessary the directors include a provision against the stock value for Trigon Snacks Trading Ltd.

The trustees consider the useful economic life of fixed assets and estimate depreciation accordingly. Depreciation rates are noted in the accounting policies and the depreciation totals for the year are included in note 13.

Wind farm rental income is based on the level of energy generated. The final statement and invoice have been made available and the accrual of £1.2m for the variable rent has been based on actuals. The only significant estimate relates to the ROC Recycle income of £122,997 (2024: £122,281), which has been based on interim energy generation report and applying energy auction prices (www.nordpoolgroup.com).

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income:
- Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- Rental income from investment property and leased out assets are recognised when receipt is probable and entitlement is established. Solar electricity income relates to electricity generated by solar panels owned by HCF and sold to related parties per note 26. All income for the year excludes VAT.

- Other trading activities relate to the realised sale of food products and consumer goods donated by related parties at nil cost as per note 26. No VAT is charged on these products and minimal levels of stock are held at the year end.

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2. ACCOUNTING POLICIES - continued

Commercial trading income is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Turnover is derived from the sale of goods and is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer, the price is determinable and the collection of the amount due is reasonably assured.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure includes any VAT which can not be fully recovered and is accounted for on an accruals basis. Expenditure has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants
Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Other Expenditure
Solar panel fixed assets, owned by the charity, used to generate electricity income is depreciated over the 15 year anticipated life on a straight line basis.
Leased out fixed assets used to generate rental income is depreciated over the 10 year anticipated life on a straight line basis

Within the subsidiary companies depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Plant and machinery	-	15 - 25% on net book value
Fixtures and fittings	-	15 - 25% on net book value
Office equipment	-	25% of the net book value
Solar panels	-	5% of cost

Depreciation has not been provided for on Land and Buildings. This relates wholly to freehold land, for which no depreciation is provided. Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Goodwill
Goodwill, being the amounts paid in connection with the purchase of Stronelairg Wind Estate Ltd by Sustainable Land Acquisitions Ltd and the solar panel companies by Homer Renewables Ltd. Goodwill in Sustainable Land Acquisitions Ltd is amortised evenly over the term of the lease acquired as part of the acquisition, 24 years. Goodwill in Homer Renewables Ltd is amortised over the remaining terms of the leases, 20 years. Additionally in 2025, Curlew Power Ltd was acquired as part of the group, with goodwill arising amortised over the terms of the lease, to 2042.

Impairment of assets
At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Foreign exchange
Foreign exchange specialists are used to minimise the cost of transfers to India. Transfer costs are not disclosed to the charity; however better rates, which include the transfer costs, are offered to alternative transfer options.

2. ACCOUNTING POLICIES - continued

Allocation and apportionment of costs
All income and expenditure is unrestricted. Support costs have been wholly allocated to the main charitable activity and relate to legal and professional, consultancy, accounting and audit fees.

Investment property
Investment properties include donated properties at fair value and are shown at most recent valuation. Any aggregate surplus or deficit arising from changes in valuation is recognised in the Statement of financial activities. At the year end the Trustees review the valuation of the investment properties and assess whether there are any indicators of impairment. Where necessary the investment properties are impaired in accordance with professional information.

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

In the subsidiary company current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is recognised when income or expenses from a subsidiary or associate have been recognised, and will be assessed for tax in a future period, except where:
- the group is able to control the reversal of the timing difference; and
- it is probable that the timing difference will not reverse in the foreseeable future.

A deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of assets and liabilities that are recognised in a business combination. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised. Deferred tax is calculated using the tax rates and laws that that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference. With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:
- the company has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

Leases
Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

The lease for the windfarm held in Stronelairg Wind Estate Ltd is treated as an operating lease. The total rental income is based on the level of energy generation. While the rate paid for generated income increases later in the lease, due to the many external factors that can impact energy generation it is not possible to accurately predict the level of income in future years. As a result this rental income is recognised in the period to which the income relates. The base rent element is allocated to the period to which it relates and then allocated to months within this period on a straight line basis.

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2. ACCOUNTING POLICIES - continued

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. There are no restricted funds.

Fixed asset investments
HCF held investments in Downing Renewables & Infrastructure Trust PLC (DORE) which was in line with the charity's ethics as it is designed to deliver stable and sustainable returns by investing in a diversified portfolio of hydro, solar, wind and other infrastructure assets. HCF increased its investment in DORE in prior years, and then subsequently sold them in 2025, and invested in Next Energy Solar Fund Ltd, Triple Point Energy Transition Plc and Aquila Energy Efficiency Trust. Additionally, in 2023 HCF invested in a US Fintech start up, Nithio Holdings Inc, that analyses credit risk to increase funding of distributed renewable energy in Africa.

Stocks
Stocks are valued at the lower of cost and net realisable value. Cost is calculated as follows:-
Raw materials - Cost of purchase on first in, first out basis.
Work in progress and finished goods - Cost of raw materials and labour together with attributable overheads.
Net realisable value is based on estimated selling price less further costs to completion and disposal.

Debtors
Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors
Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method. The company provides for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

Derivative financial instruments
Derivative financial instruments are recognised at fair value using a valuation technique with any gains or losses being reported in profit or loss. Outstanding derivatives at reporting date are included under the appropriate format heading depending on the nature of the derivative.

3. DONATIONS AND LEGACIES

	Group		Charity	
	2025	2024	**2025**	2024
	£	£	**£**	£
Donations	**1,200,000**	13,055,883	**6,898,702**	16,843,113

4. INVESTMENT INCOME

	Group		Charity	
	2025	2024	**2025**	2024
	£	£	**£**	£
Rents received	**968,445**	1,048,556	**1,173,445**	1,253,556
Solar electricity income	**45,012**	49,055	**45,012**	49,055
Other fixed asset invest - FII	**166,132**	234,597	**104,184**	131,678
Deposit account interest	**39,585**	19,366	**18,916**	3,398
Loan interest	**2,251,252**	2,567,940	**2,484,746**	2,844,256
Bond interest	-	126,493	-	126,493
	3,470,426	4,046,007	**3,826,303**	4,408,436

The notes form part of these financial statements

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5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 6)
	£
Grants (see note 6)	**2,853,819**

6. GRANTS PAYABLE

The total grants paid to institutions during the year was as follows (for details please see note 29):

	2025	2024
	£	£
	2,853,819	1,947,029

7. SUPPORT COSTS

	Finance	Other	Totals
	£	£	£
Other resources expended	**365,128**	**1,996,214**	**2,361,342**

The breakdown of support costs is shown in the table below:

Cost type	**2025**	2024
	£	£
Finance		
Foreign exchange losses	**365,128**	(83,697)
Other		
Insurance	**2,944**	-
Website costs	**971**	1,217
Auditors' remuneration	**14,500**	17,700
Legal and professional fees	**46,096**	2,487
Bank charges	**887**	621
Consultancy & management fees	**342,893**	238,003
Travel & subsistence	**58,437**	16,714
Bad debts	**128,033**	258,316
Interest paid	**256,876**	63,123
Other costs	**8,620**	-
Impairment losses for tangible fixed assets	**1,095,000**	-
Depreciation	**40,957**	40,956
	1,996,214	639,137

8. OTHER TRADING ACTIVITIES

The consolidated financial statements include the results of the below group undertakings. The figures below detail the amounts per the individual company financial statements. The income and expenditure is adjusted upon consolidation due to the elimination of the corporate gift aid amount (£5.7m), intercompany loan interest (£256,928) rental income (£205,000), management charges (£252,398) and intra-group dividends (£9m).

	Trigon Snacks Trading Ltd Year ended 31 December 2025 £	Downing Sustainable Investment I Ltd Year ended 31 December 2025 £	Scots Wind Property Ltd Year ended 31 December 2025 £	Sustainable Land Acquisitions Ltd Year ended 31 December 2025 £	Stronelairg Wind Estate Ltd Year ended 31 December 2025 £	Homer Renewables Ltd Year ended 31 December 2025 £
Turnover	20,389,710	187,707	41,125	41,541	3,748,700	57,380
Company expenditure	21,585,870	10,275,474	42,967	131,042	2,828,700	1,092,059
Profit for the period	(1,196,160)	(10,087,767)	(1,842)	(89,501)	920,000	(1,034,679)
Income from fixed asset investments	-	9,061,948	-	925,128	-	-
Interest payable and similar expenses	-	-	-	1,908,508	-	-
Gain on revaluation of investments	-	461,304	-	-	-	-
(Loss)/profit for the financial year	(1,196,160)	(564,515)	(1,842)	(1,072,881)	920,000	(1,034,679)

	AMP HA001 Ltd Year ended 31 December 2025 £	AMP HA004 Ltd Year ended 31 December 2025 £	AMP HA005 Ltd Year ended 31 December 2025 £	AMP HA006 Ltd Year ended 31 December 2025 £	AMP HA008 Ltd Year ended 31 December 2025 £	AMP HA010 Ltd Year ended 31 December 2025 £	Curlew Power Ltd Period to 31 December 2025
Turnover	760,495	77,763	243,376	76,920	150,988	130,041	2,038,117
Company expenditure	1,107,579	171,476	394,478	171,103	272,219	206,021	11,630,119
Profit for the period	(347,084)	(93,713)	(151,102)	(94,183)	(121,231)	(75,980)	(9,592,002)
Income from fixed asset investments	-	-	-	-	-	-	-
Interest payable and similar expenses	11,939	1,398	3,960	1,318	2,631	2,643	-
Gain on revaluation of investments	-	-	-	-	-	-	-
(Loss)/profit for the financial year	(359,023)	(95,111)	(155,062)	(95,501)	(123,862)	(78,623)	(9,592,002)

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9. NET INCOME/(EXPENDITURE)

	2025	2024
	£	£
Fees payable to the Charity's auditors for the audit of the financial statements	**9,850**	8,850

	2025	2024
	£	£
Depreciation - owned assets	**855,362**	446,476

Fees payable to the Charity's auditors for other services was £4,650 (2024: £8,850).

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

	2025	2024
	£	£
Expenditure charged in subsidiary companies:		
Depreciation - owned assets	**814,405**	405,520
Profit on disposal of fixed assets	**(5,444)**	(10,000)
Profit on sale of investments	**(461,304)**	-
Impairment	**10,592,530**	-
Amortisation of goodwill	**2,317,701**	2,212,256
Auditors' remuneration - audit services	**45,000**	22,236
Auditors' remuneration - non-audit services	**33,086**	22,236
Operating lease rentals - plant & machinery	-	382
Stock recognised as an expense during the year	**18,957,714**	19,299,066

10. EMPLOYEES AND DIRECTORS

	£	£
Wages and salaries	**3,273,013**	3,496,773
Social security costs	**356,689**	293,506
Other pensions costs	**103,748**	100,156
	3,733,450	3,890,435

During the year the directors received remuneration of £nil. (2024: £nil)

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

	2025	2024
Production	**93**	114
Warehouse	**6**	7
Sales & administration	**23**	23
	122	144

Staff costs and average number of employees relates to employees of the trading subsidiary. There were no employees of the parent charity who received emoluments of more than £60,000. There were 2 (2024: 2) employees of the trading subsidiaries who received emoluments of more than £60,000.

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2025 nor for the year ended 31 December 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2025 nor for the year ended 31 December 2024.

continued...

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds
	£
INCOME AND ENDOWMENTS	
Donations and legacies	13,055,883
Other trading activities	
Commercial trading operations	27,351,892
Investment income	4,046,007
Total	44,453,782
EXPENDITURE	
Costs of raising funds	
Commercial trading operations	28,577,046
Charitable activities	
Grants	1,947,029
Other	555,440
Total	31,079,515
Unrealised gains/(losses) on fixed asset investments	(477,656)
Realised gains/(losses) on fixed asset investments	6,374
NET INCOME	12,902,985
RECONCILIATION OF FUNDS	
Total funds brought forward	83,534,113
Prior year adjustment	(1,175,632)
TOTAL FUNDS CARRIED FORWARD	95,261,466

13. TANGIBLE FIXED ASSETS

CHARITY

	Plant and machinery
	£
COST	
At 1 January 2025 and 31 December 2025	**530,395**
DEPRECIATION	
At 1 January 2025	**294,070**
Charge for year	**40,957**
At 31 December 2025	**335,027**
NET BOOK VALUE	
At 31 December 2025	**195,368**
At 31 December 2024	236,325

The notes form part of these financial statements

continued...

13. TANGIBLE FIXED ASSETS (continued)

GROUP

	Freehold Property	Plant & Machinery	Fixtures & Fittings	Capitalised decommission-ing costs	Office Equipment	Totals
		£	£	£	£	£
COST						
At 1 January 2025	**7,542**	**14,191,297**	**356,101**	**-**	**152,983**	**14,707,923**
Additions	**-**	**358,696**	**-**	**-**	**23,454**	**382,150**
Assets acquired	**-**	**7,892,868**	**-**	**1,845,513**	**-**	**9,738,381**
Disposals	**-**	**(6,696)**	**-**	**-**	**-**	**(6,696)**
At 31 December 2025	**7,542**	**22,436,165**	**356,101**	**1,845,513**	**176,437**	**24,821,758**
DEPRECIATION						
At 1 January 2025	**-**	**7,358,007**	**240,178**	**-**	**116,324**	**7,714,509**
On acquired assets	**-**	**7,814,051**	**-**	**1,393,776**	**-**	**9,207,827**
Charge for year	**-**	**812,121**	**17,388**	**14,719**	**11,134**	**855,362**
Eliminated on disposal	**-**	**(3,568)**	**-**	**-**	**-**	**(3,568)**
At 31 December 2025	**-**	**15,980,611**	**257,566**	**1,408,495**	**127,458**	**17,774,130**
NET BOOK VALUE						
At 31 December 2025	**7,542**	**6,455,554**	**98,535**	**437,018**	**48,979**	**7,047,628**
At 31 December 2024	**7,542**	**6,833,290**	**115,923**	**-**	**36,659**	**6,993,414**

14. INTANGIBLE FIXED ASSETS

GROUP	**Goodwill**
COST	£
At 1 January 2025	**51,859,697**
Additions	**1,778,288**
At 31 December 2025	**53,637,985**
AMORTISATION	
At 1 January 2025	**2,759,375**
Charge for year	**2,317,701**
At 31 December 2025	**5,077,076**
NET BOOK VALUE	
At 31 December 2025	**48,560,909**
At 31 December 2024	**49,100,322**

The goodwill relates to the acquisition of additional trading subsidiaries by the wholly owned subsidiary Downing Sustainable Investment I Ltd. The details of which are detailed below.

continued...

14. INTANGIBLE FIXED ASSETS (continued)

Stronelairg Wind Estate was acquired for £53,672,731. At the date of acquisition the net assets of the company were £3,022,705, resulting in goodwill of £50,650,026. The goodwill relates to the value of a lease that was acquired as part of the purchase of the company. The company owns land, subject to a lease relating to a windfarm, which is treated in the individual accounts as an operating lease. The goodwill represents the value of the lease over the remaining term of 24 years, and as such, the goodwill has been amortised on this basis.

The solar panel companies were acquired by Homer Renewables for the share capital of £600, plus the additional costs of acquisition £402,163. At the date of acquisition the net liabilities of the company were £806,907, resulting in goodwill of £1,209,670. The company owns solar panels on properties across the UK, which generate electricity for re-sale. The goodwill is amortised over the length remaining on the leases of 20 years.

Curlew Power Ltd was acquired by Downing Sustainable Investment I Ltd in June for consideration of £11,745,784. At the date of acquisition the net assets of the company were £9,967,496, resulting in goodwill of £1,778,288. The company owns two wind turbines and the goodwill is amortised over the length remaining on the leases of 17.5 years. The breakdown of the assets acquired are as follows:

	As at 12 June 2025
Fixed assets	595,331
Current Assets	
Trade & other debtors	1,357,277
Cash at bank and in hand	11,739,591
	13,096,868
Current Liabiltiies	
Trade & other creditors	1,108,671
	1,108,671
Provisions	2,616,032
Net Assets	9,967,496
Capital & Reserves	
Share capital	49,991
Retained earnings	9,917,505
	9,967,496

15. FIXED ASSET INVESTMENTS

GROUP	Listed investments £	Unlisted investments £	Totals £
MARKET VALUE			
At 1 January 2025	**2,891,012**	**2,270,870**	**5,161,882**
Additions	**-**	**-**	**-**
Disposals	**(2,727,703)**	**-**	**(2,727,703)**
Revaluations	**(48,711)**	**-**	**(48,711)**
At 31 December 2025	**114,598**	**2,270,870**	**2,385,468**
NET BOOK VALUE			
At 31 December 2025	**114,598**	**2,270,870**	**2,385,468**
At 31 December 2024	2,891,012	2,270,870	5,161,882

CHARITY	Listed investments £	Unlisted investments £	Totals £
MARKET VALUE			
At 1 January 2025	**1,503,623**	**43,194,824**	**44,698,447**
Disposals	**(1,340,317)**	**-**	**(1,340,317)**
Revaluations	**(48,711)**	**-**	**(48,711)**
Impairment	**-**	**(10,257,920)**	**(10,257,920)**
At 31 December 2025	**114,595**	**32,936,904**	**33,051,499**
NET BOOK VALUE			
At 31 December 2025	**114,595**	**32,936,904**	**33,051,499**
At 31 December 2024	1,503,623	43,194,824	44,698,447

15. FIXED ASSET INVESTMENTS (continued)

Unlisted investments includes £2,270,870 (2024: £2,270,870) in Nithio Holdings Inc, a US fintech startup that analyses credit risk to increase funding of distributed renewable energy in Africa. Of the group's listed investment holding, the following investments make up greater than 5% of the group's total holding at the balance sheet date:

- Downing Renewables & Infrastructure Trust Plc 0% (2024: 91%) (investment sold during the year)

Included in unlisted investments is an investment of £36,883,713 in Downing Sustainable Investment I Ltd (DSII), a wholly owned subsidiary of HCF. During the year, the Charity recognised an impairment charge of £10.3 million in respect of its investment in Downing Sustainable Investments Limited ("DSII"), following a reduction in the recoverable amount of the investment arising principally from a fall in the value of the underlying assets and trading subsidiaries within the DSII group. The impairment has been recognised in the Charity-only Statement of Financial Activities. £1,435,651 (2024: £2,618,316) of share capital in DSII remains unpaid as at 31 December 2025. DSII has the wholly owned subsidiaries; Scots Wind Property Ltd, Sustainable Land Acquisitions Ltd and Stronelairg Wind Estate Ltd, as well as Homer Renewables Ltd, which holds six companies holding solar energy assets. During the year, DSII acquired Curlew Power Ltd.

continued...

15. FIXED ASSET INVESTMENTS (continued)

Cost or valuation at 31 December 2025 is represented by:

	Listed investments	Unlisted investments	Totals
	£	£	£
Valuation in 2023	**(18,575)**	**-**	**(18,575)**
Valuation in 2024	**(56,035)**	**-**	**(56,035)**
Valuation in 2025	**(48,711)**	**(10,257,920)**	**(10,306,631)**
Cost	**237,916**	**43,194,824**	**43,432,740**
	114,595	**32,936,904**	**33,051,499**

The company's investments at the balance sheet date in the share capital of companies include the following:

Trigon Snacks Trading Ltd
Registered number: 08711597
Registered office: Atherton Road, Aintree, Liverpool. L9 7AQ.
Nature of business: Retail

	%		2025	2024
Class of shares:	holding	Aggregate capital and reserves:	**(1,258,345)**	(62,185)
Ordinary	100.00	Profit/(loss) for the year:	**(1,196,160)**	(891,951)

Downing Sustainable Investment I Ltd
Registered number: 14019068
Registered office: 10 Lower Thames Street, London EC3R 6AF
Nature of business: Investment management

	%		2025	2024
Class of shares:	holding	Aggregate capital and reserves:	**34,392,963**	34,957,478
Ordinary	100.00	Profit/(loss) for the year:	**(564,515)**	(315,729)

Scots Wind Property Ltd
Registered number: 15000210
Registered office: 10 Lower Thames Street, London EC3R 6AF
Nature of business: Holding Company

	%		2025	2024
Class of shares:	holding	Aggregate capital and reserves:	**(11,924)**	(10,082)
Ordinary	100.00	Profit/(loss) for the year:	**(1,842)**	(6,183)

The share capital is 100% owned by Downing Sustainable Investment I Ltd.

15. FIXED ASSET INVESTMENTS (continued)

Sustainable Land Acquisitions Ltd
Registered number: 15003227
Registered office: 10 Lower Thames Street, London EC3R 6AF
Nature of business: Holding Company

	%		2025	2024
Class of shares:	holding	Aggregate capital and reserves:	**(2,885,290)**	(1,812,409)
Ordinary	100.00	Profit/(loss) for the year:	**(1,072,881)**	(1,410,632)

The share capital is 100% owned by Scots Wind Property Ltd.

Stronelairg Wind Estate Ltd
Registered number: SC432643
Registered office: 3rd Floor , Mclellan Works, 274 Sauchiehall Street, Glasgow G2 3EH
Nature of business: Investment company

	%		2025	2024
Class of shares:	holding	Aggregate capital and reserves:	**196,996**	194,996
Ordinary	100.00	Profit/(loss) for the year:	**920,000**	-

The share capital is 100% owned by Sustainable Land Acquisitions Ltd.

Homer Renewables Ltd
Registered number: 15923822
Registered office: 10 Lower Thames Street, London EC3R 6AF
Nature of business: Holding Company

	%		2025	2024
Class of shares:	holding	Aggregate capital and reserves:	**(987,791)**	46,888
Ordinary	100.00	Profit/(loss) for the year:	**(1,034,679)**	46,888

The share capital is 100% owned by Downing Sustainable Investment I Ltd.

AMP HA001 Ltd
Registered number: 09348671
Registered office: 10 Lower Thames Street, London EC3R 6AF
Nature of business: Investment Company

	%		2025	2024
Class of shares:	holding	Aggregate capital and reserves:	**2,737,414**	(453,555)
Ordinary	100.00	Profit/(loss) for the year:	**(359,023)**	175,486

The share capital is 100% owned by Homer Renewables Ltd

AMP HA004 Ltd
Registered number: 09613723
Registered office: 10 Lower Thames Street, London EC3R 6AF
Nature of business: Investment Company

	%		2025	2024
Class of shares:	holding	Aggregate capital and reserves:	**272,548**	(48,123)
Ordinary	100.00	Profit/(loss) for the year:	**(95,111)**	123,044

The share capital is 100% owned by Homer Renewables Ltd

AMP HA005 Ltd
Registered number: 09782313
Registered office: 10 Lower Thames Street, London EC3R 6AF
Nature of business: Investment Company

	%		2025	2024
Class of shares:	holding	Aggregate capital and reserves:	**857,904**	(164,618)
Ordinary	100.00	Profit/(loss) for the year:	**(155,062)**	32,011

The share capital is 100% owned by Homer Renewables Ltd

continued...

15. FIXED ASSET INVESTMENTS - continued

AMP HA006 Ltd
Registered number: 09786743
Registered office: 10 Lower Thames Street, London EC3R 6AF
Nature of business: Investment Company

	%		2025	2024
Class of shares:	holding	Aggregate capital and reserves:	**2,798,960**	(16,479)
Ordinary	100.00	Profit/(loss) for the year:	**(95,501)**	141,905

The share capital is 100% owned by Homer Renewables Ltd

AMP HA008 Ltd
Registered number: 09904699
Registered office: 10 Lower Thames Street, London EC3R 6AF
Nature of business: Investment Company

	%		2025	2024
Class of shares:	holding	Aggregate capital and reserves:	**576,037**	(82,496)
Ordinary	100.00	Profit/(loss) for the year:	**(123,862)**	107,428

The share capital is 100% owned by Homer Renewables Ltd

AMP HA010 Ltd
Registered number: 09856837
Registered office: 10 Lower Thames Street, London EC3R 6AF
Nature of business: Investment Company

	%		2025	2024
Class of shares:	holding	Aggregate capital and reserves:	**520,255**	(51,664)
Ordinary	100.00	Profit/(loss) for the year:	**(78,623)**	167,731

The share capital is 100% owned by Homer Renewables Ltd

Curlew Power Ltd
Registered number: 08995092
Registered office: 10 Lower Thames Street, London EC3R 6AF
Nature of business: Investment Company

	%		2025	2024
Class of shares:	holding	Aggregate capital and reserves:	**375,245**	-
Ordinary	100.00	Profit/(loss) for the year:	**(9,592,002)**	-

The share capital is 100% owned by Downing Sustainable Investment I Ltd.
The results for Curlew Power Ltd relate to the post acquisition period, 12 June 2025 to 31 December 2025.

16. INVESTMENT PROPERTY

FAIR VALUE	**£**
At 1 January 2025	**27,640,000**
Disposals	**(1,400,000)**
Impairments	**(1,095,000)**
At 31 December 2025	**25,145,000**
NET BOOK VALUE	
At 31 December 2025	**25,145,000**
At 31 December 2024	27,640,000

As part of their assessment of the carrying value of investment properties, the Trustees reviewed the property portfolio for indicators of material changes in value. This review, which took account of professional valuations and the Trustees' knowledge of prevailing market values, identified three properties requiring a downward revaluation. Accordingly, reductions of £960,000, £75,000 and £60,000 have been recognised..

The notes form part of these financial statements

continued...

16. INVESTMENT PROPERTY (continued)

Fair value at 31 December 2025 is represented by:

	£
Valuation in 2023	**5,660,000**
Valuation in 2025	**(1,095,000)**
Cost	**20,580,000**
	25,145,000

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2025	2024	**2025**	2024
	£	£	**£**	£
Trade debtors	**4,062,281**	5,586,812	-	-
Prepayments and accrued income	**1,787,968**	256,598	**50,907**	25,962
Other debtors	**1,757,529**	2,293,975	**2,230,398**	1,228,099
	7,607,778	8,137,385	**2,281,305**	1,254,061

18. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2025	2024	**2025**	2024
	£	£	**£**	£
Other debtors	**32,737,309**	35,624,893	**37,626,310**	40,290,399
	32,737,309	35,624,893	**37,626,310**	40,290,399

On 1 January 2021 a deed of novation was signed, transferring a loan owed by Crown Network Ltd, to Choithram International Foundation, to the Human Capability Foundation, a charity with trustees/directors in common. At the balance sheet date, Crown Network Ltd owed AED 25.6million (£5.2million), repayable in more than one year, with interest accruing at 1.75% over the Bank of England base rate. During the year interest accruing was £309,599 (2024: £341,629).

On 1 March 2022, a loan owed by NATCO Foods Ltd to T Choithram International S.A, was transferred to the Human Capability Foundation. At the balance sheet date, NATCO Foods Ltd owed £9.6m, repayable in more than one year, with interest accruing at 2.5% over the Bank of England base rate. During the year interest accruing was £642,968 (2024: £686,060).

On 1 March 2022, a loan owed by T Choithram & Sons (London) Ltd to T Choithram International S.A, was transferred to the Human Capability Foundation. During 2022 and 2023 additional loans were transferred. At the balance sheet date, the total outstanding was £17.9m, repayable in more than one year, with interest accruing at 2.5% over the Bank of England base rate. The interest accruing during the year was £1,308,638 (2024: £1,540,232)

19. STOCKS

	Group		Charity	
	2025	2024	**2025**	2024
	£	£	**£**	£
Raw materials	**2,873,908**	3,136,570	-	-
Finished goods	**1,114,682**	1,016,140	-	-
	3,988,590	4,152,710	-	-

Stock movement is expensed to cost of sales in the subsidiary undertakings. During the year there were no material impairment adjustments included in the profit and loss account in relation to obsolete or slow moving stock.

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2025	2024	**2025**	2024
	£	£	**£**	£
Bank loans and overdrafts	**2,697,119**	2,003,274	-	-
Trade creditors	**460,843**	682,514	-	-
Social security and other taxes	**176,493**	62,996	-	-
VAT	**1,040,372**	626,305	**245,401**	32,074
Other creditors	**4,867,173**	9,909,244	**3,604,341**	6,681,439
Accrued expenses	**1,678,870**	116,466	**19,450**	18,450
	10,920,870	13,400,799	**3,869,192**	6,731,963

21. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2025	2024	**2025**	2024
	£	£	**£**	£
Bank loans	**31,116,460**	31,072,030	-	-
	31,116,460	31,072,030	-	-

Amounts falling due in more than five years:

	Group		Charity	
	2025	2024	**2025**	2024
	£	£	**£**	£
Bank loans more than 5 years by instalments	**27,341,685**	27,211,096	-	-
	27,341,685	27,211,096	-	-

22. SECURED DEBTS

	Group	
	2025	2024
	£	£
Bank loans	**32,268,742**	32,209,751

The bank loan relates to a facility from Scottish Widows Limited, with Lloyds Bank Plc as Security Trustee within Sustainable Land Acquisitions Ltd.

The loan is an index linked term loan of £30,843,640 repayable over the period until 30 April 2042. The balance outstanding at the 31 December 2025 is £32,309,251 (2024: £32,262,446). The amount shown in creditors is net of the arrangement fee of £183,791 (2024: £195,038) but including accrued interest of £143,282 (2024: £142,343).

The interest rate on the loan in real terms is 2.64%. We note that the calculation is made up of a margin of 1.9% in addition to a compounded reference gilt rate (variable). The bank loan all-in rate is index-linked. The loan is subject to securities and guarantees in the form of a debenture, share pledge and assignation of receivables.

23. MOVEMENT IN FUNDS

	At 1.1.25	Net movement in funds	At 31.12.25
Unrestricted funds	£	£	£
General fund	**91,225,640**	**(976,434)**	**90,249,206**
Revaluation Reserve	**4,035,826**	**448,763**	**4,484,589**
TOTAL FUNDS	**95,261,466**	**(527,671)**	**94,733,795**

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

	Incoming resources	Resources expended	Other recognised gains/(losses)	Movement in funds
Unrestricted funds	£	£	£	£
General fund	**32,298,683**	**(33,275,117)**		**(976,434)**
Revaluation Reserve	**-**	**-**	**448,763**	**448,763**
TOTAL FUNDS	**32,298,683**	**(33,275,117)**	**448,763**	**(527,671)**

Comparatives for movement in funds

	At 1.1.24	Net movement in funds	At 31.12.24
Unrestricted funds	£	£	£
General fund	**77,851,373**	**13,374,267**	**91,225,640**
Revaluation Reserve	**4,507,108**	**(471,282)**	**4,035,826**
TOTAL FUNDS	**82,358,481**	**12,902,985**	**95,261,466**

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

	Incoming resources	Resources expended	Other recognised gains/(losses)	Movement in funds
Unrestricted funds	£	£	£	£
General fund	**44,453,782**	**(31,079,515)**	**-**	**13,374,267**
Revaluation Reserve	**-**	**-**	**(471,282)**	**(471,282)**
TOTAL FUNDS	**44,453,782**	**(31,079,515)**	**(471,282)**	**12,902,985**

continued...

24. PROVISION FOR LIABILITIES

	Group	
	2025	2024
	£	£
Deferred taxation	**128,959**	-
Other provisions	**2,880,136**	-
	3,009,095	-

Within the subsidiary company, Curlew Power Ltd:

	Deferred tax	**Other provisions**
	£	**£**
Balance at 1 January 2025	**67,841**	**2,525,494**
Provided during the year	**61,118**	**304,132**
Unwinding of discounted amount	**-**	**50,510**
Balance at 31 December 2025	**128,959**	**2,880,136**

Within the subsidiary company, Curlew Power Ltd there is an obligation to decommission the wind turbine sites at the end of their operational lives. A provision is recognised for the best estimate of the expenditure required to settle the obligation at the reporting date.

Where the effect of the time value of money is material, the provision is measured at the present value of the expenditure expected to be required to settle the obligation. The estimate is based on the expected costs of decommissioning, with reference to a professional decommissioning cost assessment. The provision is reviewed at each reporting date and adjusted to reflect the current best estimate. The unwinding of the discount is recognised as a finance cost in profit or loss.

25. TAXATION

No liability within the subsidiary companies arose for the year ended 31 December 2025 nor for the year ended 31 December 2024.

Reconciliation of total tax charge included in profit and loss

	Group	
	2025	2024
	£	£
Loss before tax	**(13,449,261)**	(1,830,002)
Profit multiplied by the standard rate of corporation tax in the UK of 25% (2024: 25%)	**(3,362,315)**	(457,501)
Effects of:		
Expenses not deductible	**4,312,603**	1,650,969
Income not taxable	**(2,613,455)**	(414,886)
Capital allowances in excess of depreciation	**(91,558)**	(78,995)
Losses surrendered	**3,002,730**	290,879
Utilisation of tax losses	**176,670**	(1,355)
Group relief	**-**	(42,305)
Corporate gift aid	**(1,424,676)**	(946,808)
Deferred taxation movement	**61,118**	**-**
Total tax charge in subsidiary company	**61,118**	**-**

26. CONTINGENT LIABILITIES

The Charity is party to legal proceedings that were ongoing at the reporting date. The proceedings are currently stayed pending the outcome of separate related proceedings. The trustees, having taken legal advice, consider that disclosure of further information could seriously prejudice the Charity's position. Accordingly, no further details have been provided. The trustees continue to monitor the matter.

27. RELATED PARTY DISCLOSURES

	Group		Charity	
	2025	2024	**2025**	2024
	£	£	**£**	£
The following amounts are included in the consolidated statement of financial activities:				
Entities with trustees/directors in common				
Income investment properties	**800,000**	800,000	**1,005,000**	1,005,000
Solar electricity	**45,012**	49,055	**45,012**	49,055
Sales of donated products	**-**	-	**7,311**	10,842
Interest	**2,261,251**	2,567,940	**2,261,251**	2,567,940
Donations	**-**	11,555,883	**-**	11,555,883
Entities with key management in common				
Donations	**1,200,000**	700,000	**1,200,000**	700,000
Transactions with subsidiaries				
Donations received	**-**	-	**5,698,702**	3,787,229
Interest received	**-**	-	**223,495**	276,316
The following amounts are included in the consolidated and charity balance sheet:				
Entities with trustees/directors in common				
Loans owed to related parties	**339,657**	4,082,780	**339,657**	4,082,780
Loans owed by related parties	**32,738,025**	35,624,891	**32,738,025**	35,624,891
Rent owed by related parties	**-**	-	**-**	-
Sales	**662,066**	702,998	**-**	-
Purchases	**179,023**	17,895	**-**	-
Subsidiary companies				
Loans owing to related parties	**-**	-	**3,284,340**	2,601,816
Loan owed by subsidiaries	**-**	-	**5,694,385**	5,723,188

28. POST BALANCE SHEET EVENTS

After the reporting date, Human Capability Foundation became the ultimate controlling party of The Greencliffe Foundation Ltd (Company number: 13494049, charity number: 1196347) following the passing of a special resolution, with effect from 1 January 2026.

As a result of the change, Human Capability Foundation obtained ultimate control over The Greencliffe Foundation Ltd and its subsidiary undertakings. The change represented a significant alteration to the governance and control structure of the Group, but occurred after the reporting date and therefore does not affect the financial position or results reported for the year ended 31 December 2025. The financial statements have consequently been prepared on the basis of the Group structure and control arrangements existing at 31 December 2025.

Post year end, the charity made a short term loan of £18m at an interest rate of 5%. The transfer of funds occurred after the reporting date, therefore no adjustment has been made to the amounts recognised in these financial statements.

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29. GRANTS

Total grants in 2025 approved by the Foundation were £2,853,819 (2024: £1,947,029).

These were made up as follows:

Beneficiary	Amount
	£
CODESRIA	**372,277**
Urgent Action Fund for Women's Human Rights (Asia & Pacific)	**223,630**
iPartner India	**182,086**
Synchronicity Earth	**150,000**
Kolkata Sanved	**143,218**
Fund for Global Human Rights UK	**112,500**
Aajeevika Bureau Trust	**94,949**
Vishakha Mahila Shiksha Avam Shoodh	**90,779**
Charkha	**82,874**
Navchetna Sarvangin Vikas Kendra	**61,771**
Iswar Sankalpa	**61,185**
Jeevika Development Society	**60,775**
Thoughtshop Foundation	**59,428**
Autism Society West Bengal	**59,358**
Yakshi Resource and Creativity Centre	**59,010**
Grameen Shiksha Kendra Samiti	**55,253**
SAMVADA	**46,792**
Sama - Resource Group for Women	**45,781**
Sound and Picture Archives for Research on Women	**44,477**
Gramin Avam Samajik Vikas	**43,446**
Kislay	**39,285**
Bal Umang Drishya Sansthan	**35,200**
Synergy Sansthan Samiti	**34,975**
Patang	**32,607**
Foundation for Social Transformation	**30,864**
Talash Society for Inner Strength	**26,735**
Kotra Adivasi Sansthan Village	**26,580**
Samaan Social Development Society	**26,504**
Muskaan	**26,132**
Mahila Jan Adhikar Samiti	**25,879**
Tribal Health Initiative	**23,188**
TARSHI	**22,410**
Anjali	**20,569**
Disha Trust	**19,343**
North East Educational Trust	**18,441**
LAYA	**18,000**
Jandaksha Trust	**17,712**
Vanavil Trust	**13,483**
North East Network	**13,478**
Sangath	**12,697**
Sappho for Equality	**12,623**
Social Action for Knowledge Building and Awareness Raising	**12,082**
Vatsalya Societies	**11,967**
Other international grantees	**286,476**
Total	**2,853,819**

A full list of grantees can be made available upon request from the charity.