Charity registration number 1158914 (England and Wales)

THE MILLFIELD HOUSE FOUNDATION

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2026

THE MILLFIELD HOUSE FOUNDATION

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THE MILLFIELD HOUSE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms L Seebohm Mr J Walker Dr Y Gale Mr M Roche Ms E Richardson Ms R Lewis Mr A Morrell	 (Appointed 9 February 2026)
Administrator/Trust Manager	Ms C Warnock	
Charity number	1158914	
Principal address	One Strawberry Lane Newcastle NE1 4BX	
Auditor	Robson Laidler Accountants Limited Fernwood House Fernwood Road Jesmond Newcastle upon Tyne Tyne and Wear England NE2 1TJ	
Bankers	The Unity Trust Bank Nine Brindley Bank Birmingham B1 2HB	
Solicitors	Ward Hadaway LLP Sandgate House 102 Quayside Newcastle upon Tyne NE1 3DX	
Investment advisors	RBC Brewin Dolphin Time Central 32 Gallowgate Newcastle upon Tyne NE1 4SR	

THE MILLFIELD HOUSE FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2026

The trustees present their annual report and financial statements for the year ended 5 April 2026.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Deed of Trust, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

History of the Foundation
MHF was founded by Grigor McClelland (1922-2013) in 1976 with shares in Laws Stores Ltd, a Tyneside based food retailing firm established by Arthur McClelland (1884-1966). The Foundation only had significant income after the firm was sold in 1985.

Objectives and activities
Policies and objectives
The Foundation's objects are the support, using both capital and income at the Trustees' discretion, of any legally charitable object. However, the Trustees have decided that its principal objective at present should be to contribute to the improvement of social conditions and of the quality of life in the North East of England, primarily amongst those who are socially and economically most disadvantaged.

The Trustees seek to use the Foundation's resources to help build a better society, one more equal and less divided. The emphasis is on tackling the causes of poverty and inequity rather than alleviating the symptoms. The Trustees periodically review their grants policy to ensure that it fully supports the objects. These reviews typically take place every four-five years and one such took place between February and June 2024. Trustees considered all aspects of the Foundations work and re-affirmed their commitment to a relational approach to grant making. The Board uses these exercises to reflect on its understanding of the relationships it has built over time; it sees this as a continuous process. Over the last five years Trustees have:

- Reviewed the portfolio and created space for emergent organisations, activities or individuals where this is possible
- Monitored the performance of the endowment to ensure the Foundation continues to be financially viable for the long term
- Continued to think about how the Foundation itself can contribute to the mechanisms of change to reduce poverty and inequity in the North East.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Grantmaking policies
The Millfield House Foundation's aim is to tackle the underlying causes of poverty and inequity, particularly social and economic inequity, in the North East of England (i.e. Northumberland, Tyne and Wear, County Durham and Tees Valley). It does this by funding work, the ultimate goal of which is to change social policy for the better. The Trustees do not accept unsolicited applications but support a small number of grant holders - called Strategic Partners - whose work has impressed them and whom they wish to support over a period of years. In recent years, Trustees have also make a handful of smaller 'Getting to Know You' grants to new organisations.

The grants are given for core costs to be used at the discretion of the grant holder with the single stipulation that this be in support of policy work. The Foundation seeks to develop a respectful and trusting relationship with grant holders enabling them to take a long view and to work steadily towards their goals. The Trustees ask to be kept informed of developments, positive and challenging, and offer patient support rather than tying grant holders to short term goals.

The Foundation supports a Learning Community for its Strategic Partners and other grantees, which provides a safe space for peer learning and support. The goal is to share information and experience, to build relationships between policy practitioners and to learn from one another. The group meets quarterly, and a number of joint projects have been developed as a result of those interactions.

MHF recognises that genuine, effective policy change requires a mix of approaches and outcomes. Most, though not all, policy work pushes in a direction rather than arriving immediately at the desired destination. Different skills, actions and opportunities can be described as coming together in an overall 'mosaic of change'. With its limited resources the Foundation cannot support the entire gamut of activities necessary to bring about profound policy shifts. Trustees' grant making policy is, therefore, to support work which contributes to real change, meaning grant holders must identify not only what they are doing but also what others are doing to shape the desired change.

The Trustees reserve the ability to respond to or to seek out interesting developments which they may choose to fund in pursuit of their overall objective. Recognising the value of developing new relationships, in addition to those with existing Strategic Partners, in spring of 2022 and 2024 Trustees issued open calls for expressions of interest in funding for policy work to address issues of poverty and inequality in the North East. Interested organisations were invited to have an initial, exploratory conversation with the Trust Manager who writes up a note for Trustees, leading to a much smaller number of organisations being invited to make an application for funding. In 2022, this resulted in grants being awarded to Tyne and Wear Citizens (toward its core costs) and National Energy Action (towards work to address fuel poverty in the North East). In 2024 further grants were awarded to Difference North East (for a part-time policy officer) and North East Anti-Racism Coalition (for development costs). Trustees believe this more conversational, relational approach to grant making enables them to get a valuable insight into the policy and influencing activities of a broad range of voluntary sector and civil society organisations across the region, without requiring hard pressed organisations to spend too much time on an application which would have a limited chance of success.

As a charity, the Foundation must confine its grants to purposes accepted in law as charitable. However, official guidance makes it clear that charities may include a variety of non-party political and campaigning activities to further their purposes. Guidance on campaigning by charities is available from the Charity Commission and from the Electoral Commission.

The Trustees are aware that guidance on acceptable campaigning is continually changing and monitors the changes to ensure that their grants are used lawfully. They remain committed to the principle that charities should campaign on behalf of beneficiaries and on the circumstances that create or perpetuate poverty and inequality. In pursuance of that principle, in 2025 Trustees sponsored the fifth year of its award at the North East Charity Awards, held in Sept 2025 to celebrate organisations' Outstanding Contribution to Social Change, with Her Circle the worthy winners.

Achievements and performance

Review of activities

In the year ended 5th April 2026 a total of £197,007 was committed in new grants (2025: £205,242). This represents a three year Strategic Partner award to Newcastle University (for North East Child Poverty Commission), a two year Strategic Partner award to VONNE and a small grant of £3,000 to St Chads College toward the Third Sector Trends study. Findings from the latter are available on the website of the North East Community Foundation About Third Sector Trends: Community Foundation North East.

Grants paid during the year amounted to £202,539 (2025: £226,529). These are detailed in Note 15 to the financial statements. Further detail on grants can be found on the Foundation's website; grants data is also submitted every year to 360 Giving (see Foundation website for link).

With regard to public benefit, the Trustees' principal concern is for the interests of communities and individuals in North East England in need. The Foundation's grants policy is unambiguous and, in the words of Joseph Rowntree, MHF seeks "to search out the underlying causes of weakness or evil in the community, rather than remedying their more superficial manifestations". Grant proposals are rigorously assessed to ensure that grants are consistent with the Foundation's stated aims of supporting initiatives that tackle poverty, disadvantage and exclusion, and promoting social and economic change. For each grant, Trustees carefully consider the needs addressed or the purpose pursued, the means of tackling the problem and the intended outcomes.

The Trust Manager provides regular updates on current and recent grants to Trustees. In previous years Strategic Partners have reported in writing at least once a year; since autumn 2022 Trustees have instead received a written report from the Trust Manager, based on in-depth conversations with each Partner, to further reduce the reporting burden on Partners. Since 2018-19 trustees have participated in a 'pairing' programme, whereby each Strategic Partner is paired with an individual Trustee who meets with them once or twice a year, together with the Trust Manager, and reports back to the full Board. This programme of engagement was reviewed in 2020-21 and Trustees agreed to continue this approach. Grant conditions include the stipulation that multi-year grant payments are conditional on receipt of a satisfactory annual review which enables Trustees to satisfy themselves that the grant has been used for the purpose for which it was approved and that the objectives intended for the previous year have been met.

The Foundation commissioned a new website in the year, which is simpler and easier to navigate www.mhfdn.org.uk.

Key performance indicators

The total return for the portfolio over the year to 5th April 2026 (before fees) was 16.1% which compares with 12.67% from the Morningstar PIMFA Balanced Total Return benchmark.

Investment policy and performance

The Trustees have been in regular contact with investment managers at both Rathbone Greenbank and Brewin Dolphin RBC during 2025-6 to stay abreast of events as they impact on the endowment. The Trustees' investment policy is to maximise the growth of capital and income, subject to ethical constraints on the selection of stocks. The overall investment objectives required of investment managers are to create sufficient income and capital growth to enable the Foundation to carry out its purposes consistently year by year with due and proper consideration for future needs and the maintenance and, if possible, enhancement of the value of the invested funds. The portfolio is measured against a bespoke benchmark.

The Foundation's ethical policy is agreed with the fund managers. When reviewing the ethical policy, to enable the investment managers to work to clear criteria, the Trustees establish a distinction between major and minor ethical concerns. The detail of the Foundation's ethical screening was reviewed in 2023-24 and adjusted to reflect Trustees growing understanding of issues such as climate change and their impact on poverty and inequity in the North East.

The value of the investment portfolio at 5th April 2026 was £7,050,981, an increase from £6,323,632 at 5th April 2025.

The Foundation re-tenders for its investment management services every seven years and this process began in February 2025, with an invitation to tender extended to five reputable firms, including Rathbone Greenbank. A sub-group of three Trustees, led by the Investment Committee Chair, considered tenders and invited two firms to interview. Trustees discussed the sub-group's recommendation at their meeting in May 2025 and agreed to invite RBC Brewin Dolphin to manage the Foundation's investments. They thanked the team at Rathbone Greenbank for all their hard work, help and advice over the last seven year.

Going concern
After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future.

Reserves policy
The Foundation received income from investments during the year of £138,722 (2025: £133,550). Grant and related support and governance costs were £238,349 (2025: £242,497) and investment managers' costs were £36,336 (2025: £40,707), leaving an excess of expenditure over incoming resources of £135,963 (2025: £149,654) before investment gains of £878,472 (2025: losses of £323,798). This has resulted in a net surplus for the year of £742,509 (2025: net loss of £473,452).

The Trustees believe they should spend capital if there is a case to support new activities that cannot be funded out of current income; they have powers to spend capital as well as income. In 2006 the Trustees resolved to make an annual transfer from expendable endowment to unrestricted funds each year to cover any shortfall of incoming resources.

Structure, governance and management
Governing document
The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

Charity constitution
The Foundation's governing document is a trust deed signed on 18th May 2002; the original dated 26th March 1976 having been revised. There have been no changes in the objectives since the last annual report.

Methods of appointment or election of Trustees
New Trustees are appointed by existing Trustees.

Policies adopted for the induction and training of Trustees
New Trustees receive extensive briefing and are provided with comprehensive documentation about the Foundation. Before their appointment, prospective Trustees meet the Trustees and the Trust Manager informally and attend at least one Trustees' meeting in the capacity of observers.

MHF is a member of the Association of Charitable Foundations, and all Trustees receive information from ACF. Trustees are encouraged to attend relevant meetings and conferences and the Foundation funds such training as may be appropriate. Trustees regularly attend local and national events held by grant holders or on matters related to their grant making policy and to stay informed of current local and national issues.

The trustees who served during the year and up to the date of signature of the financial statements were:
Ms L Seebohm
Mr J Walker
Dr Y Gale
Mr M Roche
Ms E Richardson
Ms R Lewis
Mr A Morrell (Appointed 9 February 2026)

Organisational structure and decision making
The Trustees are responsible for the management of the Foundation. The Chair is appointed from among the Trustees, usually for a three-year term. Laura Seebohm took on the role from May 2021 – June 2024; Jonathan Walker was appointed Chair from June 2024.

The Trustees meet three times a year; these meetings usually take place in central Newcastle. One meeting is primarily dedicated to internal business, for example, approval of accounts, review of the risk policy and similar concerns. At the other two meetings Trustees may consider applications from invited applicants, meet grant holders and discuss any other initiatives they may wish to take. They also regularly receive and consider financial reports and reports on the Foundation's investments.

Yvonne Gale takes on the role of Chair of the Investment Committee (a sub-committee previously responsible for scrutinising investment management reports, reporting to the Board on investment management issues and undertaking a regular review of investment management performance). However, since 2022 Trustees have incorporated investment committee business into the main trustee meeting, involving all trustees in this aspect of trustee oversight. The Investment Chair continues to oversee this aspect of Trustees responsibilities and leads this section of the Trustee meeting. The day-to-day administration of the Foundation, including administration of grants and processing of applications prior to consideration by Trustees, is delegated to a Trust Manager. Cullagh Warnock has occupied this position since 1st May 2018, on a free-lance contract which is reviewed every three years. All contracts with external agencies are reviewed on a regular basis. As a result of such a review in spring 2021, Trustees invited new firms to tender to provide MHF with accountancy services and entered into a new agreement with Robson Laidler Accountants Limited.

Relationships with other agencies
The Foundation is a member of the North East Trust Secretaries Group. It is also a member of the Association of Charitable Foundations, the Community Foundation serving Tyne & Wear and Northumberland, Voluntary Organisations' Network North East and Connected Voice.

In 2020, the Foundation joined an initiative to champion open and trusting grant-making. Co-ordinated by IVAR, this partnership of funders and small charities from across the UK has developed eight commitments to open and trusting grant-making, asking funders to:
- make grants in a way that reflects the realities facing VCSE organisations now and for the foreseeable future
- manage grants and relationships in a way that reflects our confidence in and respect for the organisations we fund
The aspirations of this initiative very much reflect MHF's relational approach which is described in more detail on our website.

Millfield House Foundation works closely with statutory and voluntary bodies whose interests overlap with its own but retains its complete independence in respect of grant decisions. The Foundation is registered as a Living Wage Funder. It has also joined the North East Anti-Racism Coalition's Become the Bridge campaign, pledging to develop an anti-racism action plan appropriate to its work and share learning with others.

Risk management
The Trustees regularly review their roles and responsibilities in the light of the Charity Commission's guidance and consider the major risks to which the charity is exposed. They have adopted a strategy and procedures for management of risk, including potential conflicts of interest. Trustees review and update the Foundation's risk register and associated policy annually.

The Trustees maintain a Register of Interests and have adopted procedures for the declaration of interests at Trustees' meetings. If a Trustee or the Trust Manager has an interest in an organisation being considered for a grant, s/he withdraws from the meeting while the application is discussed, and a decision is made.

Future developments

The guiding principle for all MHF's funding is that it should contribute to tackling poverty and/or inequity. The Trustees hope that, by investing for a continuous period and with substantial unrestricted grants in carefully selected strategic partners, they will over time make an impact on the policy decisions that can address poverty and inequity. They recognise that discerning the impact their grants make in such a broad context may be impossible, but they look to grant holders to keep them informed of developments and to give indications of progress towards ultimate goals.

Trustees are aware that funding for policy work at a local and regional level is extremely hard to come by, and they and the Trust Manager take every opportunity to highlight the value of this work to other agencies, particularly to other local and national funders.

Statement of trustees' responsibilities

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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

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

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

.....
Mr J Walker
Trustee

.....
Dr Y Gale
Trustee

Date: 12.10.26

THE MILLFIELD HOUSE FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE MILLFIELD HOUSE FOUNDATION

Opinion

We have audited the financial statements of The Millfield House Foundation (the 'charity') for the year ended 5 April 2026 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2026 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

The risk of material misstatement due to error or fraud has been assessed in conjunction with how internal controls may mitigate any such risk. These controls are reviewed as part of the audit by performing systems walkthroughs to ensure they are operating effectively. Analytical review and substantive testing is also performed on all material balances and therefore any instances of non-compliance should be identified or considered as insignificant. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team;

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework, in which the charity operates and how the charity complies with that legal and regulatory framework
- inquired with management and those charged with governance about their own identification and assessment of the risks of irregularities, including any know actual, suspected or alleged instances of fraud
- discussed with management and those charged with governance any non-compliance with laws and regulations and how fraud might occur including assessments of how and where the financial statements may be susceptible to fraud.

The risk of management override of controls was also considered an area of potential misstatement due to fraud. Audit procedures performed included testing of manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE MILLFIELD HOUSE FOUNDATION

Use of our report

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

For and on behalf of Robson Laidler Accountants Limited, Statutory Auditor
Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
Tyne and Wear
NE2 1TJ
England
Date: 12-10-2026

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

THE MILLFIELD HOUSE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2026

Current financial year

	Notes	Unrestricted funds 2026 £	Endowment funds 2026 £	Total 2026 £	Total 2025 £
Income from:					
Investments	2	138,722	-	138,722	133,550
Expenditure on:					
Raising funds	3	36,336	-	36,336	40,707
Charitable activities	5	238,349	-	238,349	242,497
Total expenditure		274,685	-	274,685	283,204
Net gains/(losses) on investments		-	878,472	878,472	(323,798)
Net (outgoing)/incoming resources before transfers		(135,963)	878,472	742,509	(473,452)
Gross transfers between funds		135,963	(135,963)	-	-
Net movement in funds		-	742,509	742,509	(473,452)
Fund balances at 6 April 2025		-	6,053,854	6,053,854	6,527,306
Fund balances at 5 April 2026		-	6,796,363	6,796,363	6,053,854

The statement of financial activities includes all gains and losses recognised in the year.

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

THE MILLFIELD HOUSE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2026

Prior financial year

	Notes	Unrestricted funds 2025 £	Endowment funds 2025 £	Total 2025 £
Income from:				
Investments	2	133,550	-	133,550
Expenditure on:				
Raising funds	3	40,707	-	40,707
Charitable activities	5	242,497	-	242,497
Total expenditure		283,204	-	283,204
Net gains/(losses) on investments		-	(323,798)	(323,798)
Net (outgoing)/incoming resources before transfers		(149,654)	(323,798)	(473,452)
Gross transfers between funds		149,654	(149,654)	-
Net movement in funds		-	(473,452)	(473,452)
Fund balances at 6 April 2024		-	6,527,306	6,527,306
Fund balances at 5 April 2025		-	6,053,854	6,053,854

THE MILLFIELD HOUSE FOUNDATION

BALANCE SHEET

AS AT 5 APRIL 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Fixed assets					
Investments	9		7,050,981		6,323,632
Current assets					
Debtors	10	14,312		5,749	
Cash at bank and in hand		374		399	
		14,686		6,148	
Creditors: amounts falling due within one year	11	(205,821)		(168,909)	
Net current liabilities			(191,135)		(162,761)
Total assets less current liabilities			6,859,846		6,160,871
Creditors: amounts falling due after more than one year	12		(63,483)		(107,017)
Net assets			6,796,363		6,053,854
The funds of the charity					
Endowment funds	13		6,796,363		6,053,854
			6,796,363		6,053,854

The financial statements were approved by the trustees on 12.10.26

.....
Mr J Walker
Trustee

.....
Dr Y Gale
Trustee

THE MILLFIELD HOUSE FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Cash flows from operating activities					
Cash absorbed by operations	17		(289,870)		(305,312)
Investing activities					
Purchase of investments		(4,544,643)		(1,492,409)	
Proceeds from disposal of investments		4,695,766		1,663,885	
Investment income received		138,722		133,550	
Net cash generated from investing activities			289,845		305,026
Net cash generated from financing activities			-		-
Net decrease in cash and cash equivalents			(25)		(286)
Cash and cash equivalents at beginning of year			399		685
Cash and cash equivalents at end of year			374		399

1 Accounting policies

Charity information

The Millfield House Foundation is a grant making charity, registration number: 1158914. The principal operating address is One Strawberry Lane, Newcastle Upon Tyne, NE1 4BX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the investments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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

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

1 Accounting policies **(Continued)**

1.5 Expenditure

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

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

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. 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.

All expenditure is inclusive of irrecoverable VAT.

1.6 Taxation

The charity is exempt from tax on it charitable activities.

1.7 Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

1.8 Interest

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains / losses on investments' in the Statement of Financial Activities.

2 Investments

	Unrestricted funds	Unrestricted funds
	2026	2025
	£	£
Dividends and distributions	138,722	133,550

3 Raising funds

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Portfolio management	36,336	40,707
	36,336	40,707

4 Expenditure on charitable activities

	Charitable activities 2026 £	Charitable activities 2025 £
Direct costs		
Grant funding of activities (see note 5)	197,007	205,242
Share of support and governance costs (see note 7)		
Support	34,545	30,230
Governance	6,797	7,025
	238,349	242,497
Analysis by fund		
Unrestricted funds	238,349	242,497

5 Grants awarded in the year

	Grants Awarded 2026 £	Grants Awarded 2025 £
Grants awarded to institutions in the year:		
Tyne and Wear Citizens	-	98,417
NEARC	-	20,000
VONNE	50,000	42,000
Difference North East	-	40,000
Newcastle University (for NECPC)	144,007	-
Citizen's Advice Newcastle	-	4,825
St Chads College	3,000	-
	197,007	205,242

6 Net movement in funds

	2026	2025
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	3,341	3,665

7 Support costs

	Support costs	Governance costs	2026	Support costs	Governance costs	2025
	£	£	£	£	£	£
Administration costs	27,996	-	27,996	27,676	-	27,676
Subscriptions	926	-	926	822	-	822
Trustees meetings & expenses	94	-	94	132	-	132
IT and website	5,414	-	5,414	1,488	-	1,488
General expenses	115	-	115	112	-	112
Audit fees	-	3,341	3,341	-	3,665	3,665
Legal and professional	-	3,456	3,456	-	3,360	3,360
	34,545	6,797	41,342	30,230	7,025	37,255
Analysed between						
Charitable activities	34,545	6,797	41,342	30,230	7,025	37,255

Governance costs includes payments to the auditors of £3,341 (2025- £3,665) for audit fees.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

During the year ended 5 April 2026, expenses totalling £59 (2025: £36) were reimbursed or paid directly to trustees.

9 Fixed asset investments

	Listed investments	Cash in portfolio	Total
	£		£
Cost or valuation			
At 6 April 2025	6,193,876	129,756	6,323,632
Additions	4,544,643	-	4,544,643
Valuation changes	878,472	-	878,472
Movement in cash held	-	45,302	45,302
Disposals	(4,741,068)	-	(4,741,068)
At 5 April 2026	6,875,923	175,058	7,050,981
Carrying amount			
At 05 April 2026	6,875,923	175,058	7,050,981
At 05 April 2025	6,193,876	129,756	6,323,632

There were no investment assets outside the UK.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. The basis of fair valuation for quoted investments is equivalent to the market value.

The main risk to the Foundation from these financial instruments lies in the combination of uncertain investment markets and volatility of yield. The Foundation manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Foundation does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for the longer term.

There were no investments that represent more than 5% of the investment holdings.

10 Debtors

	2026	2025
Amounts falling due within one year:	£	£
Prepayments and accrued income	14,312	5,749

11 Creditors: amounts falling due within one year

	2026	2025
	£	£
Trade creditors	2,368	2,368
Other creditors	190,977	152,975
Accruals and deferred income	12,476	13,566
	205,821	168,909

Included in other creditors are the following grant commitments:

	2026	2025
	£	£
Newcastle University (for NECPC	53,960	-
VONNE	30,000	42,000
Citizen's Advice Newcastle	44,211	48,169
Difference North East	20,000	20,000
NEARC	10,000	10,000
Tyne and Wear Citizens	32,806	32,806
Total	**190,977**	**152,975**

The above grants had been agreed by the Trustees but not paid at the year end.

12 Creditors: amounts falling due after more than one year

	2026	2025
	£	£
Other creditors	63,483	107,017

Included in other creditors are the following grant commitments:

	2026	2025
	£	£
Difference North East	-	20,000
NEARC	-	10,000
Tyne and Wear Citizens	-	32,806
Citizen's Advice Newcastle	-	44,211
VONNE	20,000	-
Newcastle University (for NECPC)	43,483	-
Total	**63,483**	**107,017**

The above grants had been agreed by the Trustees but not paid at the year end.

13 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	At 6 April 2025 £	Transfers £	Gains and losses £	At 5 April 2026 £
Permanent endowments	6,053,854	(135,963)	878,472	6,796,363

Previous year:	At 6 April 2024 £	Transfers £	Gains and losses £	At 5 April 2025 £
Permanent endowments	6,527,306	(149,654)	(323,798)	6,053,854

14 Analysis of net assets between funds

	Endowment funds 2026 £
At 5 April 2026:	
Investments	7,050,981
Current assets/(liabilities)	(191,135)
Long term liabilities	(63,483)
	6,796,363

	Endowment funds 2025 £
At 5 April 2025:	
Investments	6,323,632
Current assets/(liabilities)	(162,761)
Long term liabilities	(107,017)
	6,053,854

15 Grant commitments paid

The following grant commitments have been paid in the year

Newcastle University (for NECPC) The first instalment of a grant commitment made in 2025-2026 for £144,007	£46,564
Voluntary Organisations Network North East (VONNE) A one year extension of a grant commitment made in 2024-25	£42,000
Citizens Advice Newcastle The second instalment of a grant commitment made in 2023-2024 for £130,050 and a small one grant committment made in 2024-2025 for £4,825	£48,169
Tyne and Wear Citizens The second instalment of a grant commitment made in 2024-2025 for £98,418	£32,806
Difference North East The first instalment of a grant commitment made in 2024-2025 for £40,000	£20,000
NEARC The first instalment of a grant commitment made in 2024-2025 for £20,000	£10,000
St Chads College A one year grant awarded in 2025 - 2026 for £3,000	£3,000

16 Related party transactions

There were no disclosable related party transactions during the year (2025 - none).

17 Cash absorbed by operations

	2026 £	2025 £
Surplus/(deficit) for the year	742,509	(473,452)
Adjustments for:		
Investment income recognised in statement of financial activities	(138,722)	(133,550)
Fair value gains and losses on investments	(878,472)	323,798
Movements in working capital:		
(Increase) in debtors	(8,563)	(1,257)
(Decrease) in creditors	(6,622)	(20,851)
Cash absorbed by operations	(289,870)	(305,312)

18 Analysis of changes in net funds

The charity had no material debt during the year.