REGISTERED COMPANY NUMBER: 08087609 (England and Wales)
REGISTERED CHARITY NUMBER: 1163127

Report of the Trustees and

Financial Statements

For The Year Ended 31 December 2025

for

WOODSMITH FOUNDATION LIMITED

Fortus Audit LLP
Equinox House, Clifton Park
Shipton Road
York
Yorkshire
YO30 5PA

WOODSMITH FOUNDATION LIMITED

Contents of the Financial Statements
For The Year Ended 31 December 2025

	Page
Chairman's Report	1
Report of the Trustees	2 to 5
Report of the Independent Auditor	6 to 8
Statement of Financial Activities	9
Balance Sheet	10
Cash Flow Statement	11
Notes to the Cash Flow Statement	12
Notes to the Financial Statements	13 to 23
Detailed Statement of Financial Activities	24 to 25

Chairman's Report
For The Year Ended 31 December 2025

Although only taking over as Chair in July 2026, I am pleased to present the Annual report and Financial Statement for the year ended December 2025 on behalf of the Trustees of the Woodsmith Foundation.

The Foundation aims to create a positive lasting legacy from the Woodsmith Mine being built in the North York Moors National Park (with the processing facility at Redcar). Our priority is to increase opportunities and tackle disadvantage and we support projects that:

- Increase opportunities for better life chances
- Encourage positive changes by improving lives and places, or tackling issues that negatively impact on local people.
- Bring people together and enrich lives by ensuring there are local spaces, resources and activities that provide pleasure, learning or community action.

In 2025 the Woodsmith Foundation received a donation of £500,000 from Anglo American Plc. We are grateful to Anglo American for their continuing support while the Woodsmith Mine is being built and are committed to working in partnership with them. We were similarly delighted that Anglo American Foundation was able to provide a similar sum to the Foundation as well as generously sharing their own experience and learning from working with young people across the world.

In 2025 we supported organisations across the Borough of Redcar and Cleveland, the former Borough of Scarborough and the North York Moors National Park with 96 grants totalling £1,152,855 of which 77 were grants under £10,000 and 19 were large strategic grants.

Alongside our grant making activities the Foundation maintained our Community Connector roles in Dormanstown, Redcar and Whitby. There, through dedicated, outplaced members of staff, we are working directly with members of the community and local organisations to identify what is important for local people. This work has included facilitating a community hub at a local primary school, funding a new play park, delivering a leadership programme for young people, and connecting young people to available local activities.

Supporting individual potential also remained a strand of the Foundation's work. Through the Young and Talented programme, which supports exceptional young people from across the region to pursue their potential in sport, performance and the creative arts.

2025 was the third year for the Achieve Education programme that we fund jointly with Anglo American. The programme aims to support school-children to reach their potential by providing long term mentoring and a suite of extra curricular activities designed to support their personal social and emotional development. A three-year independent evaluation confirmed that the programme is making a real difference to the 150 young people in our Achieve cohort. It shows that our Achieve cohort are feeling more confident and happier. They are more motivated to try new things and more optimistic about their future. One significant change we have observed is in the young people's confidence that they will be successful when they grow up which has almost doubled.

On behalf of all trustees in post in 2025, particularly my predecessor as Chair, Ian Swales, I would like to thank everyone who has contributed to our successes in 2025. In doing so I want to give particular recognition to our Chief Executive, Leah Swain and her small staff team who have ensured we have used our funding economically and wisely.

Sir Martin Narey
Chair

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the 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 Foundation's objects are for the public benefit particularly in the area of benefit to:

1) advance education including by supporting projects and training that benefit people from the area of benefit by enhancing their skills;

2) promote the general health of the community;

3) advance environmental protection and improvement including by enhancing the local landscape;

4) provide and improve facilities in the interests of social welfare and leisure time occupation with the objective of improving the conditions of life for the residents; and

5) relieve those in need because of financial hardship by virtue of being out of work, particularly the long term unemployed, by helping them to gain skills.

The area of benefit covers the Borough of Redcar and Cleveland, the former Borough of Scarborough and the North York Moors National Park.

The Trustees are obliged to:

- exercise a preference for applying the charity's funds close to Anglo American's area of operations in the area of benefit; and
- only apply funds outside the area of benefit once the mine goes into production, and then only provided trustees pass a unanimous resolution, and not apply more than 25% of its annual budget in any one year outside the area of benefit.

At present, the Trustees are fulfilling these objects by making grants to local organisations and undertaking development activities, including capacity building work with organisations, working with partners and stakeholders on potential joint investments, planning and delivery of programmes of work in areas of interest.

The Foundation does not raise funds from the general public.

The Trustees confirm that they have had regard to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives, in planning future activities, and setting the grant making policy for the year.

OBJECTIVES AND ACTIVITIES

Significant activities

In 2025 the Trustees agreed a spend plan for the year and grants awarded include:

- £286,830 to providers to deliver the third year of the Achieve Education Programme for secondary schools in our area of benefit. Achieve is an ambitious, evidence-led programme targeting the outcomes gap for disadvantaged young people. Through immersive support and school-wide change, it empowers students to develop essential life skills, improve wellbeing, and access meaningful career pathways.

- £263,541 for Community Grants to 66 organisations. Grants of up to £10,000 went towards a wide range of projects. These included funding for essential equipment for sports clubs and primary schools, refurbishment of community buildings, housing and benefits advice, projects to tackle loneliness, youth club delivery, activities for local people to socialise and have fun, functional skills training for young people, mental health support and much more.

- £247,979 Catalyst Grants awarded to 6 organisations. This included £40,000 to Sparks project to deliver a pilot mental health programme and impact evaluation; £46,124 for Leo's to deliver support for families and develop an online training offer for neonatal specialists; £80,000 for Citizen's Advice Darlington, Redcar and Cleveland and the Tees Valley Women's Centre for an intensive family support programme and a wider community offer on financial advice and training; £35,220 for East Cleveland Youth Housing to support an apprentice to refurbish new properties that will contribute to the charities sustainability.

- £13,000 Young and Talented Grants supporting 10 young people with a recognised talent who had a financial barrier to progress.

- £475,000 for the Enhance Redcar and Cleveland infrastructure support service over three years. This will deliver 1-2-1 advice, training, and bring VCSE organisations together to work with statutory services or in partnership. Woodsmith Foundation has contributed £150,000 and the remaining funding is from Lloyds Bank Foundation, Rank Foundation and Tees Foundation. We are grateful for the collaborative approach taken by our partners.

The Trustees were supported in the grant assessment by employees of the Foundation and by independent, external consultants. All grant decisions were discussed and agreed by either the Chief Executive and Chair (within the agreed financial delegations), a small sub group of Trustees, or by the full Board. All delegated grant decisions made between board meetings were recorded at the next full board meeting.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Trustees are pleased with progress in 2025 and are content the split between small and large grants allows different size and types of organisation to have an opportunity to apply for funding. Our grants have enabled a wide range of people and communities to benefit from the Woodsmith Mine development, taking forward projects that are important for them and their locality. We had a good level of grant applications and manage demand effectively by offering to have a conversation with potential applicants before they start their formal application. This ensures the majority of applications we receive are eligible and allow us to fund approximately 60% of all smaller grant requests received. We continue to use our best efforts to make it as easy as possible for people to contact us, staying in touch as ideas develop and connecting those people who have common aims or ambitions.

The Trustees are content that grants are being awarded to a diverse range of organisations, many new to the work of the Foundation, across our whole area of benefit and in line with our charitable objectives.

FINANCIAL REVIEW

Financial review

The Foundation held reserves of £1,610,170 at 31 December 2025 (2024: £1,286,740).

The Foundation's work is reliant on income from Anglo American and income and capital returns from its own investment portfolio. In 2025 we were grateful to Anglo American Foundation for their grant to the Woodsmith Foundation. To date the Foundation has received £8 million from the Woodsmith Mine project. This payment/donation is 'ex gratia' as it sits outside the formal contractual agreement with Anglo American that will commence from the date the mine goes into production. On this basis there is no commitment currently for a percentage of the monies to be invested in medium term, low-risk funds. Once the mine is in production 0.5% of revenue will be donated to the Woodsmith Foundation and at this point the charity will start to invest to build an endowment fund to sustain our work after the lifetime of the mine.

FUTURE PLANS

In December 2024 Anglo American renewed their commitment to supporting the Woodsmith Foundation during the building of the Woodsmith Mine. A donation of £1m was paid to support the work of the Foundation across 2025 and 2026. In addition, we are grateful for the support of the Anglo American Foundation who have awarded funding of £1m across the same period. Anglo American kindly continue to provide pro bono support to the Foundation for finance, marketing and communications. The trustees have reviewed the cash position of the Foundation and made a commitment to spend £1m in the coming year. A spend plan has been agreed that will award funding for projects that meet our charitable objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Woodsmith Foundation Limited was incorporated as a company limited by guarantee on 29 May 2012. It is governed by its Memorandum and Articles of Association and was registered as a charity on 13 August 2015.

Under the Articles of Association, the membership of the charitable company comprises Anglo American and two Independent Members. The Independent Members in 2025 were Jim Dillon and Ian Swales. The new corporate member for Anglo American, Rachel Dolby, was appointed in November 2024.

As set out in the Articles, the charity is managed by seven Trustees, who are also directors of the company. Four of these Trustees are appointed by the Independent Members and three by Anglo American. On appointment Trustees are provided with information on the Foundation and on their role as charity Trustees and company directors. There were no Trustee resignations or appointments in the period. We are grateful for all our Trustee time, enthusiasm and energy and would like to thank them for their contribution to the work of the Foundation.

The Trustees held four formal Board meetings in the period which were supplemented by email discussions throughout the year.

The reports received at meetings enable the Trustees to monitor major risks to which the Foundation is exposed so that necessary steps can be taken to manage those risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
08087609 (England and Wales)

Registered Charity number
1163127

Registered office
Woodsmith Mine/Anglo American
Sneaton
Whitby
North Yorkshire
YO22 5BF

Trustees
Mrs J Flynn
N Irving (resigned 27.1.26)
Sir M J Narey
J Samuel
I C Swales
Dr E Walmsley
W B Woods

Chief Executive
L Swain

Auditor
Fortus Audit LLP
Equinox House, Clifton Park
Shipton Road
York
Yorkshire
YO30 5PA

STATEMENT OF TRUSTEES' RESPONSIBILITIES
The trustees (who are also the directors of Woodsmith Foundation Limited for the purposes of company law) are responsible for preparing the Annual Report 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 which 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 Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it's appropriate 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 auditor is 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 auditor is aware of that information.

AUDITOR
The auditors, Fortus Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 21 September 2026 and signed on its behalf by:

Sir M J Narey - Chair

Opinion
We have audited the financial statements of Woodsmith Foundation Limited (the 'charitable company') for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 31 December 2025 and of its 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 Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 Auditor thereon.

Our opinion on the 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 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 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 charitable company 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

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 Auditor 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:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (UK GAAP and the Companies House 2006), charity law and the relevant tax compliance regulations in the UK.

We understood how the charitable company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the charity to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the charitable company has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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 Auditor.

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 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 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.

Jacqueline Godden FCCA (Senior Statutory Auditor)
for and on behalf of Fortus Audit LLP
Equinox House, Clifton Park
Shipton Road
York
Yorkshire
YO30 5PA

Date: .....

WOODSMITH FOUNDATION LIMITED

Statement of Financial Activities
For The Year Ended 31 December 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,500,000	100,000	1,600,000	1,104,000
Investment income	3	10,428	-	10,428	10,017
Other income		15	-	15	5
Total		1,510,443	100,000	1,610,443	1,114,022
EXPENDITURE ON					
Charitable activities	4				
Core Activities		174,245	-	174,245	179,045
Grant making		782,768	330,000	1,112,768	1,249,141
Total		957,013	330,000	1,287,013	1,428,186
NET INCOME/(EXPENDITURE)		553,430	(230,000)	323,430	(314,164)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,196,740	90,000	1,286,740	1,600,904
TOTAL FUNDS CARRIED FORWARD		1,750,170	(140,000)	1,610,170	1,286,740

The notes form part of these financial statements

Balance Sheet
31 December 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Investments	11	116,623	-	116,623	111,842
CURRENT ASSETS					
Debtors	12	16,619	-	16,619	13,872
Cash at bank and in hand		2,117,368	190,000	2,307,368	2,870,841
		2,133,987	190,000	2,323,987	2,884,713
CREDITORS					
Amounts falling due within one year	13	(311,594)	(127,500)	(439,094)	(1,657,632)
NET CURRENT ASSETS		1,822,393	62,500	1,884,893	1,227,081
TOTAL ASSETS LESS CURRENT LIABILITIES		1,939,016	62,500	2,001,516	1,338,923
CREDITORS					
Amounts falling due after more than one year	14	(188,846)	(202,500)	(391,346)	(52,183)
NET ASSETS		1,750,170	(140,000)	1,610,170	1,286,740
FUNDS	15				
Unrestricted funds				1,750,170	1,196,740
Restricted funds				(140,000)	90,000
TOTAL FUNDS				1,610,170	1,286,740

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 21 September 2026 and were signed on its behalf by:

Sir M J Narey - Chair

The notes form part of these financial statements

Cash Flow Statement
For The Year Ended 31 December 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	(569,120)	869,727
Net cash (used in)/provided by operating activities		(569,120)	869,727
Cash flows from investing activities			
Purchase of fixed asset investments		(4,781)	(5,451)
Interest received		10,428	10,017
Net cash provided by investing activities		5,647	4,566
Change in cash and cash equivalents in the reporting period		(563,473)	874,293
Cash and cash equivalents at the beginning of the reporting period		2,870,841	1,996,548
Cash and cash equivalents at the end of the reporting period		2,307,368	2,870,841

The notes form part of these financial statements

Notes to the Cash Flow Statement
For The Year Ended 31 December 2025

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	323,430	(314,164)
Adjustments for:		
Interest received	(10,428)	(10,017)
(Increase)/decrease in debtors	(2,747)	40,712
(Decrease)/increase in creditors	(879,375)	1,153,196
Net cash (used in)/provided by operations	(569,120)	869,727

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.25 £	Cash flow £	At 31.12.25 £
Net cash			
Cash at bank and in hand	2,870,841	(563,473)	2,307,368
	2,870,841	(563,473)	2,307,368
Total	2,870,841	(563,473)	2,307,368

The notes form part of these financial statements

1. 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.

The charitable company is a company limited by guarantee registered in England and Wales. It's registered office can be found on page 3.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency or the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise noted.

Critical accounting judgements and key sources of estimation uncertainty
The Trustees consider that no judgements, apart from those involving estimates, have been made in the process of applying the above accounting policies which have had a significant effect on amounts recognised in the financial statements.

The Trustees consider that no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date have been made which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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

Investment income receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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 settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administrative and governance costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

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1. ACCOUNTING POLICIES - continued

Expenditure
Grants payable are payments made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

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

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

Investments
Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted mid-market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Debtors and creditors receivable / payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Impairment
Assets not measured at fair value are assessed for any indication of impairment at each reporting date. If such indication exists, the recoverable amount of the asset is estimated and compared to the carrying amount. When the carrying amount of an asset exceeds its recoverable amount, a charity must reduce the carrying amount of the asset to its recoverable amount. This reduction is an impairment loss which must be immediately recognised as expenditure in the statement of financial activities.

Provisions
Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reasonably estimated.

Fund accounting
Restricted funds

Restricted funds are funds held on specific trusts under charity law. The specific trusts may be declared by the funder. The specific trusts establish the purpose for which a charity can lawfully use the restricted funds.

Unrestricted funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds
Designated funds are part of unrestricted funds which have been earmarked by the board for a particular purpose. Such designations may be reversed by future board decisions. Expenditure cannot be directly set against designated reserves but it can be taken through the income and expenditure account. A transfer is then made from designated funds as appropriate.

continued...

1. ACCOUNTING POLICIES - continued

Fund accounting

Fund comparatives
The charity has had only one, unrestricted, fund during the current and previous year therefore comparative information is available from the primary financial statements.

Donated services and facilities
No amount is included in the financial statements for volunteer time, including time spent by Trustees in assessing and monitoring grants, in line with the SORP (FRS 102). Marketing and finance support, for which no charge is made, is provided by Anglo American. Further detail is given in the Trustees' Annual Report.

Going concern
The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. In their view the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. DONATIONS AND LEGACIES

	2025	2024
	£	£
Donations	1,515,000	1,014,000
Grants	85,000	90,000
	1,600,000	1,104,000

Grants received, included in the above, are as follows:

	2025	2024
	£	£
Other grants	85,000	90,000

Other grants includes £15,000 from Rank Foundation, £20,000 from Tees Valley Community Foundation (Tees Foundation) and £50,000 from Redcar & Cleveland Borough Council which is restricted income towards the Redcar and Cleveland Infrastructure Support Service, through the Middlesborough Voluntary Development Agency (MVDA)

In 2024, other grants included £30,000 from Rank Foundation and £60,000 from Lloyds Bank Foundation which is restricted income towards the Redcar and Cleveland Infrastructure Support Service, through the Middlesborough Voluntary Development Agency (MVDA)

continued...

3. INVESTMENT INCOME

	2025	2024
	£	£
Interest from CAF Bank accounts	5,647	4,566
Interest from CCLA deposit fund	4,781	5,451
	10,428	10,017

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Grant funding of activities (see note 5)	Support costs (see note 6)	Totals
	£	£	£	£
Core Activities	130,439	-	43,806	174,245
Grant making	-	1,112,768	-	1,112,768
	130,439	1,112,768	43,806	1,287,013

Core activities costs encompass the costs of running the grant and community organisation development programmes.

5. GRANTS PAYABLE

	2025	2024
	£	£
Grant making	1,112,768	1,202,807

Grants paid during the year were all made to institutions except for 10 grants made under the Young & Talented programme. Grants awarded are summarised below.

Amount of grant	Number of recipients	Aggregate amount awarded £	Aggregate instalments paid in year £
Catalyst Grants			
Over £10,000	5	242,979	157,759
No more than £10,000	1	5,000	0
Achieve Education Programme			
Over £10,000	4	69,059	69,059
Community Grants			
Over £10,000	6	60.000	50,000
No more than £10,000	60	203,541	142,608
Dormanstown Seed Fund			
No more than £10,000	4	10,454	10,454
Over £10,000	1	32,982	26,980
Funder Plus			
No more than £10,000	1	200	200
Challenge Fund - Employment & Skills			
Over £10,000	1	25,000	15,000
Young & Talented			
No more than £10,000	10	13,000	12,250
School Hardship			
No more than £10,000	1	250	250
Whitby Community Connector			

continued...

5. GRANTS PAYABLE - continued

Over £10,000	1	15,390	871
Middlesborough Voluntary Development Agency			
Over £10,000	1	475,000	0
	96	1,152,855	485,431
Previous grants	23	-	508,693
Grants lapsed	(4)	(19,250)	-
Grants previously awarded but repaid	(11)	(20,837)	
Total	103	1,112,768	994,124

Recipients of grants for £10,000 and above awarded in the period.

Catalyst Grants	
Sparks Project	40,000
Leo's	46,124
Citizen's Advice Darlington Redcar and Cleveland(in partnership with Tees Valley Women Centre)	80,000
Tees Valley Education	41,635
East Cleveland Youth Housing	35,220
Achieve Education Programme	
North Yorkshire Youth Redcar and NY	47,811
NYBEP	21,248
Redcar & Cleveland Borough Council	-
Settringham Primary	-

The Achieve Education Programme has committed to a total of £286,830 in the year, with £69,059 being being recognised in the year as seen above. The remaining balance of £217,771 has been recognised as a financial commitment.

Community Grants	
Futureworks NY	10,000
Sidewalk	10,000
North Yorkshire Music Therapy	10,000
Cleveland Housing Advice	10,000
Community Furniture Store	10,000
The Welcome Project at Redcar Baptist	10,000
Dormanstown Seed Fund	
Tees Valley Education	32,982
Challenge Funds - Employment & Skills	
Eastside Community Centre	25,000
Whitby Community Connector	
Keyfund Federation	15,390
Middlesborough Voluntary Development Agency	
Restricted	
Rank Foundation	60,000
Lloyds Foundation	60,000
Tees Valley Community Foundation (Tees Foundation)	60,000
Redcar & Cleveland Borough Council	150,000
Designated	
Woodsmith Foundation	145,000

The total for Woodsmith Foundation is £150,000 however £5,000 has been allocated as a contingency balance so therefore £145,000 has been awarded.

continued...

6. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Core Activities	32,875	10,931	43,806

7. NET INCOME/(EXPENDITURE)

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

	2025	2024
	£	£
Auditors' remuneration	5,400	6,919

8. 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

Expenses of £595 were reimbursed to 6 Trustees during the year (2024: £nil).

9. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	104,240	116,472
Social security costs	14,369	12,062
Other pension costs	9,716	10,813
	128,325	139,347

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

	2025	2024
Full time	2	2
Part time	1	2
	3	4

No employees received emoluments in excess of £60,000.

The full time equivalent number of staff at 31 December 2025 was 2 (2024: 2.75).

The total remuneration of key management personnel amounted to £71,020 (2024: £68,885).

continued...

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,014,000	90,000	1,104,000
Investment income	10,017	-	10,017
Other income	5	-	5
Total	1,024,022	90,000	1,114,022
EXPENDITURE ON			
Charitable activities			
Core Activities	179,045	-	179,045
Grant making	1,249,141	-	1,249,141
Total	1,428,186	-	1,428,186
NET INCOME/(EXPENDITURE)	(404,164)	90,000	(314,164)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,600,904	-	1,600,904
TOTAL FUNDS CARRIED FORWARD	1,196,740	90,000	1,286,740

11. FIXED ASSET INVESTMENTS

	Cash and settlements pending £
MARKET VALUE	
At 1 January 2025	111,842
Additions	4,781
At 31 December 2025	116,623
NET BOOK VALUE	
At 31 December 2025	116,623
At 31 December 2024	111,842

There were no investment assets outside the UK.

continued...

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Other debtors	15,160	12,431
Prepayments and accrued income	1,459	1,441
	16,619	13,872

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Other creditors	-	799
Grant creditors	433,694	651,433
Accrued expenses	5,400	5,400
Deferred income	-	1,000,000
	439,094	1,657,632

Deferred income relates to income received for use in future periods.

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

	2025	2024
	£	£
Grant Creditors	391,346	52,183

15. MOVEMENT IN FUNDS

	At 1.1.25	Net movement in funds	Transfers between funds	At 31.12.25
	£	£	£	£
Unrestricted funds				
General fund	1,196,740	698,430	(150,000)	1,745,170
Middlesborough Voluntary Development Agency	-	(145,000)	150,000	5,000
	1,196,740	553,430	-	1,750,170
Restricted funds				
Rank Foundation	30,000	15,000	(45,000)	-
Lloyds Foundation	60,000	-	(60,000)	-
Tees Valley Community Foundation (Tees Foundation)	-	20,000	(20,000)	-
Redcar & Cleveland Borough Council	-	50,000	(50,000)	-
Middlesborough Voluntary Development Agency	-	(330,000)	175,000	(155,000)
Anglo American	-	15,000	-	15,000
	90,000	(230,000)	-	(140,000)
TOTAL FUNDS	1,286,740	323,430	-	1,610,170

continued...

15. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,510,443	(812,013)	698,430
Middlesborough Voluntary Development Agency	-	(145,000)	(145,000)
	1,510,443	(957,013)	553,430
Restricted funds			
Rank Foundation	15,000	-	15,000
Tees Valley Community Foundation (Tees Foundation)	20,000	-	20,000
Redcar & Cleveland Borough Council	50,000	-	50,000
Middlesborough Voluntary Development Agency	-	(330,000)	(330,000)
Anglo American	15,000	-	15,000
	100,000	(330,000)	(230,000)
TOTAL FUNDS	1,610,443	(1,287,013)	323,430

Comparatives for movement in funds

	At 1.1.24 £	Net movement in funds £	At 31.12.24 £
Unrestricted funds	1,600,904	(404,164)	1,196,740
Restricted funds			
Rank Foundation	-	30,000	30,000
Lloyds Foundation	-	60,000	60,000
	-	90,000	90,000
TOTAL FUNDS	1,600,904	(314,164)	1,286,740

continued...

15. MOVEMENT IN FUNDS - continued

Comparative net movement in funds included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds	1,024,022	(1,428,186)	(404,164)
Restricted funds			
Rank Foundation	30,000	-	30,000
Lloyds Foundation	60,000	-	60,000
	90,000	-	90,000
TOTAL FUNDS	1,114,022	(1,428,186)	(314,164)

Rank Foundation

Funding was received from Rank Foundation to support costs towards the establishment and running of a new high-quality advice and support service for VCSE organisations in Redcar and Cleveland.

The transfer noted is to fund the Middlesborough Voluntary Development Agency project.

Lloyds Foundation

Funding was received from Lloyds Bank Foundation for England and Wales (LBFEW) to strengthen small community led organisations and find new ways of designing and resourcing services so that people facing complex issues get the support they need, when they need it and in ways that work best for them.

The transfer noted is to fund the Middlesborough Voluntary Development Agency project.

Tees Valley Community Foundation (Tees Foundation)

Funding was received from Tees Foundation to support the Redcar & Cleveland Local Infrastructure pilot programme.

The transfer noted is to fund the Middlesborough Voluntary Development Agency project.

Redcar & Cleveland Borough Council

Funding was received from Redcar & Cleveland Borough Council to support the Redcar & Cleveland VCSE Infrastructure Support Service.

The transfer noted is to fund the Middlesborough Voluntary Development Agency project.

Middlesborough Voluntary Development Agency

This project is to deliver an infrastructure support service in Redcar and Cleveland branded as Enhance Redcar and Cleveland. The project funders are Lloyds Bank Foundation, Rank Foundation, Redcar and Cleveland Borough Council, Tees Foundation and the Woodsmith Foundation.

The transfers noted represents the funds provided by the funders above.

This designated fund represents Woodsmith Foundation's contribution to the Middlesborough Voluntary Development Agency project. The transfer represents the funds allocated. £5,000 of Woodsmith Foundation's allocation of £150,000 have been kept as contingency.

continued...

15. MOVEMENT IN FUNDS - continued

Negative balances will be covered by future funding.

Anglo American

Funding was received from Anglo American Woodsmith Limited during the year towards the employment and skills project of the Woodsmith Foundation.

16. OTHER FINANCIAL COMMITMENTS

Awards totalling £286,830.05 have been committed to under the Achieve Programme in the year ended 31 December 2025. The amount to be recognised as a commitment as at the year-end date is £217,771 due to £69,069 being paid in the year within this programme.

In 2024, awards totalling £543,478 had been made under the programme as at 31 December 2024.

17. RELATED PARTY DISCLOSURES

The Woodsmith Foundation is an independent charity funded by Anglo American.

A donation of £1,000,000 (2024: £2,104,000) was made by Anglo American Woodsmith Ltd to the Foundation. This £1,000,000 was received in the prior year and was recorded as deferred income for spending in 2025 and 2026. In addition, the Anglo American Woodsmith Ltd made a further £15,000 donation during the year towards the employment and skills projects of the Woodsmith Foundation.

A donation of £500,000 was made by the Anglo American Foundation during the year.

Anglo American Crop Nutrients provided in kind support to the Woodsmith Foundation for marketing and finance activities.

Detailed Statement of Financial Activities
For The Year Ended 31 December 2025

	2025 £	2024 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,515,000	1,014,000
Grants	85,000	90,000
	1,600,000	1,104,000
Investment income		
Interest from CAF Bank accounts	5,647	4,566
Interest from CCLA deposit fund	4,781	5,451
	10,428	10,017
Other income		
Misc income	15	5
Total incoming resources	1,610,443	1,114,022
EXPENDITURE		
Charitable activities		
Wages	104,240	116,472
Social security	14,369	12,062
Pensions	9,716	10,813
Advertising	688	5,666
Sundries	1,426	36
Office expenses	-	7,812
Community Organisation Develop	-	8,002
Donations made	-	850
Grants to institutions	1,100,243	1,180,097
Grants to individuals	12,525	22,710
	1,243,207	1,364,520
Support costs		
Management		
Grant development and assessme	5,618	45,484
Training and conferences	695	885
Travel and meetings	8,754	995
Bank charges	203	148
Payroll administration	679	584
IT, phones and software	6,132	5,222
Monitoring and Evaluation	10,794	-
	32,875	53,318
Governance costs		
Trustees away day costs	1,558	2,386
Carried forward	1,558	2,386

	2025 £	2024 £
Governance costs		
Brought forward	1,558	2,386
Auditors' remuneration	5,400	6,919
Insurance	1,125	1,043
Memberships	2,253	-
Trustee expenses	595	-
	10,931	10,348
Total resources expended	1,287,013	1,428,186
Net income/(expenditure)	323,430	(314,164)