

Foundation

Trustees' report and financial statements

For the year ended 31 December 2025

Co-operative Community Investment Foundation (a company limited by guarantee)

Company registered number 4117665 / Charity registered numbers 1093028 (England & Wales), SC048102 (Scotland)

Foreword by Ruth Marvel OBE, Chair of Trustees

This year marks my first as Chair of Co-op Foundation, and it has been an impactful and inspiring twelve months. We know that 2025 was a challenging year for organisations and individuals seeking to drive positive change and support their communities. With availability of funding falling, costs increasing and demand rising, The Foundation's commitment to providing long-term, flexible funding and wrap around support for partners, has never felt more important.

Building on learning from our funded partners we have refined and strengthened our co-operative approach to grantmaking and remained focused on delivering funding and campaigns with and for young people.

In 2025, we distributed £1.9 million in unrestricted funding to our partners, enabling them to respond to the needs of their communities without unnecessary constraints. We launched the second round of our Future Communities Fund, offering unrestricted grants for up to five years, helping to provide the stability organisations need to plan, adapt and deliver lasting impact.

Our strategic priority of building safer communities and supporting young people with experience of the justice system was a key focus for 2025. The second round of Future Communities Fund was focused on supporting organisations that are helping justice experienced young people reconnect with their community and we launched our campaign partnerships with Alliance for Youth Justice and Transform Justice - calling for an end to the unnecessary imprisonment of children and advocating for greater use of community sentencing.

We went further in shifting power to young people. Our youth advisory group – the Future Communities Collective - took the lead in designing the second round of our Future Communities Fund and, for the first time, held full decision-making authority over how the funding was allocated.

Alongside this, we continued to support young people by awarding £1.3m to young leaders who are already driving change in their communities. We welcomed 66 new Young Gamechangers and continued to collaborate with other funders to deliver the Funding Futures Programme and the Roots & Routes pilot, all of which back young leaders to create meaningful impact.

As we look ahead to 2026, we are looking forward to refreshing our strategy as it nears completion and are feeling ambitious about what we can achieve with our partners in the years to come. We are excited to launch a new fund with Co-op inspiring young people into green careers, and to collaborate with other funders on a joint initiative to address division in communities impacted by the riots and unrest we have seen in the UK.

Finally, I want to say a big thank you to the young people and partner organisations we have worked with throughout 2025. It is a privilege to support such a powerful movement for change. And a big thank you to Co-op members, Co-op and our charity partner Co-op Live, whose support helps to makes everything we do possible.

Ruth Marvel OBE
Chair of the Board of Trustees

Trustees' report

The Trustees, who act as Directors for the purposes of company law, present their annual report and the audited financial statements for the year ended 31 December 2025.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Reference and administrative details

Co-operative Community Investment Foundation is a company limited by guarantee, registered with Companies House (number 4117665). Its registered office is 1 Angel Square, Manchester M60 0AG. It is registered as a charity in England and Wales (number 1093028) and Scotland (number SC048102).

Its day-to-day working name is the Co-op Foundation. In this report, it is referred to simply as 'the Foundation'.

The following people served as Trustees of the Foundation during the year and up to the date of this report:

Ruth Marvel (Chair) (appointed 21 February 2025)

George Imafidon (Vice Chair)

Jane Waters (Treasurer)

Sharon Jones

Hope Levy-Shepherd

Mahalia Flasz

Jaiden Corfield (appointed 13 May 2025)

Adele Balmforth (appointed 13 May 2025 & resigned 6 October 2025)

David Luckin (appointed 26 February 2026)

Zoe Selby

Key personnel

Chief Executive – Nick Crofts

Secretary – Yasmin Sidat

Bankers

Barclays Bank PLC, 1 Churchill Place, London, E14 5HP

Legal advisers

Brabners LLP, Horton House, Exchange Flags, Liverpool L2 3YL

Auditor

Sayer Vincent LLP, 110 Golden Ln, London EC1Y 0TG

Highlights of the year

- In 2025, we took our work with young people a step further. Our Future Communities Collective led on the design of the second round of our Future Communities Fund and made decisions on which organisations to support. The £1.75m fund is supporting organisations that are helping young people with experience of the justice system to reconnect with their communities. The Future Communities Collective worked alongside young people from Leaders Unlocked, whose lived experience of the justice system shaped the development of this fund.

> *"Working with young people is invigorating, their diverse views and different perspectives bring renewed passion and energy to any grant-making activity.*
>
> *It may feel intimidating at the start, but I can wholeheartedly say it's the most rewarding way of working."*
>
> Louise Snelders, Head of Funding & Partnerships

- We funded 66 Young Gamechangers aged 10-25 who are working across the UK to make change happen in their communities.
- Publishing the emerging learnings of our impact with our unrestricted funding, in partnership with IVAR.
- We launched our new campaign work, partnering with Alliance for Youth Justice and Transform Justice to end the unnecessary imprisonment of children.
- We built the Green Opportunities Fund, to be launched in 2026, from a detailed evidence base.
- We held a range of learning events with our funded partners, and mobilised the learnings into our practice.
- We published the emerging learnings of our impact on funding individual young people through our YGF mid-term report.

Objectives

The Co-op Foundation's formal objects are described in its governing document. These are to support, through donations from co-operative organisations, members, customers and employees, projects that contribute to relief of poverty, advancement of education or other such charitable purposes and which will benefit communities in which the businesses of Co-operative Group Limited operate.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set

Our strategy – Building Communities of the future together

2025 saw the third full year of work to deliver our five-year Foundation strategy, Building Communities of the future together.

The strategy has three building blocks –

We worked with a highly diverse group of 100 young people, to create a clear, detailed and compelling vision of communities in ten years' time that are fair and built on co-operative values. This is their Future Communities Vision.

We pioneer a distinctly co-operative way of funding. We provide flexible and unrestricted funds to people and organisations working to build the fairer, more co-operative communities of the imagined by the young visionaries. We'll fund diverse young people and organisations, and learn from and celebrate the progress being made in building fairer, more co-operative communities.

We co-operate with others from across the co-operative movement, social change, and philanthropic sectors to bring our vision of future communities to life through our funding and campaigning. We'll advocate for our co-operative way of funding and encourage other funders to join in.

Underneath these three building blocks, there were six strategic priorities that our young visionaries told us were central to their Future Communities Vision.

We will help to create –

- Safe communities
- Diverse, equitable and inclusive communities
- Sustainable communities
- Communities that prioritise youth activism, shared power and transparent governance

Activities and achievements

Flexible funding

2025 was the fifth year of our membership of the 'Open & Trusting' grant making community, a group of pioneering funders committed to flexible grantmaking. Co-ordinated by the Institute for Voluntary Action Research (IVAR), our commitments demonstrate our determination to be the best funder we can be. This is helping us to shape lives in our co-operative image, and influence other funders, too.

Grantmaking activity

Future Communities Fund Round 2

Building on the success of our first round of the Future Communities Fund, our pioneering strategic funding programme under our 'Building communities of the future together' strategy, we launched the second round of funding in 2025. We're pioneering a distinctly co-operative way of funding, and that's why this programme continues to be:

- **Participatory** – grant-giving will be led by our Future Communities Collective. This is a group of diverse young people who have provided input into decisions on our funding and strategy.
- **Unrestricted** – we're funding organisations, not projects.
- **Long-term** – we're providing funding for up to five years.
- **Trusting** – we'll work with our partners to understand how our funding can increase their impact.
- **Accessible** – we introduced a two-stage application process for this fund and pledged to be honest and open with applicants as we trial new ways of working. This aligns to our IVAR commitments.
- **Supportive** – we're here to help community groups to be the best they can be in whatever way we can. That's why we're funding them flexibly and amplifying the amazing work that they do.
- **Facilitating co-operating** – we'll help to facilitate connections between groups so our partners can achieve more, learn together and co-operate for a fairer world.

PARTNER SPOTLIGHT: ROMANO LAV

Romano Lav are a Roma community organisation and charity based in Glasgow. They are steered and shaped by Roma young people, who identify the needs of their community and lead on decision-making to provide solutions. Through the first round of our FCF, we awarded a five-year unrestricted grant of £97,500 to support Romano Lav to develop their youth leadership opportunities.

"Multi-year unrestricted funding is like gold dust and it's just so useful, especially for small staffed, grassroots organisations that are responding in real time to real-world situations." Toni Bruce, Project Coordinator at Romano Lav

The Future Communities Fund round 2 (FCF2) was launched in May 2025 and, like round 1, will run for five years. It has built on two strategic priorities from our youth-designed Future Communities Vision – 'youth activism and shared power' and 'diversity, equity and inclusion', whilst adding 'safety' in the form of providing funding specifically targeted at supporting organisations working with justice experienced young people to help them to re-engage with their communities. This strongly aligns with Co-op's 'Safer Colleagues, Safer Communities' campaign.

Our working definition of 'diverse' is people who have experience of being marginalised in society due to their race, gender identity, sexual orientation, disability, socioeconomic status or any other attribute that impacts their inclusion. We were able to support 13 organisations and our partnerships with the funded organisations will continue up to 2027.

When designing FCF2, we knew our focus would be different from the first round. We did work with a collective of young people for the first round of funding, but decisions about design and approach involved young people much more deeply. We recruited new members for the collective, working with them from September 2024 to induct, support and provide wider knowledge about the issues this fund

seeks to address. This means we've been able to encourage our collective to lead as much as possible. This work has also been supported and facilitated by HUDL Youth Development Agency, who have brought a wealth of experience and knowledge into our sessions with young people.

In addition, 'listening sessions' were held with young people with experience of the justice system. This means that we better understood the issues the fund is seeking to address. As a result of their input, along with the results of our commissioned research, round 2 focused on supporting organisations that are helping young people away from the justice system, so that they can re-engage with their communities in a meaningful way.

We're proud that this fund has been developed in such a thoughtful and expert-led way. As grant makers, we have provided guidance, support and training, but have stepped out of the way when it comes to supporting young people to take a lead – which is as it should be.

Funding led by young people

This programme has been built and led by young people from our Future Communities Collective (FCC). This diverse group of young people co-designed the programme and been involved at all stages of design and delivery. Our FCC were delegated responsibility to make all funding decisions. This was a first for us at Co-op Foundation – we were proud to hand over power to a group of capable and passionate young people who had invested time and energy upskilling and learning about the justice system.

This power shift would not have been possible without the participation of young people from Leaders Unlocked, who have direct experience of the justice system and have also led and shaped the development of this fund.

All of the young people who have supported the development of the fund have helped us to work towards the priorities laid out within our strategy and continually challenged us, providing and embedding a youth perspective into how we work. We know that young people need to have a say in their future. They're the next generation of leaders and pioneers – and they want to help other young people to have a voice.

Young Gamechangers Fund

2025 saw the further development of perhaps the most exciting and innovative fund under our new strategy, the Young Gamechangers Fund.

Designed to fund the next generation of activists, campaigners, disrupters, leaders, social entrepreneurs and co-operators, Gamechangers will be the largest fund launched in the UK to fund individual young people and youth-led groups.

The Foundation has committed £1.5m over three years, and in 2023 we secured commitments of a further £1.5m of funding from the Co-op and £1.38m from the #iwill Fund. Along with our team's costs, this will make it a £4.5m, three-year fund.

Recognising that we don't have the skills or capacity within the team to directly manage funding relationships with individual young people, we appointed Global Fund for Children and Restless Development, working together in partnership, as the delivery partners for the new fund.

The initial stages of the development of the fund were informed by an in-house scoping study the Foundation team conducted on approaches to funding individuals. The study involved reviewing 20 funding programmes investing in individuals, offered by 16 UK funders. The findings indicated involving experts and people with lived experience at various stages of the fund design, embedding Diversity

Equity and Inclusion principles in communications and data collection, simplifying the applications process and diversifying outreach strategies. Approaches to mitigate risks included offering training to the grant recipients, flexibility and trust and involving delivery partners depending on the funding team's existing experience and skills. Tailored support, in addition to the funding from the outset based on needs assessment, was also considered important. A light monitoring of progress and evaluation of both processes and impact for continuous improvement and sector influence was also recommended.

Taking into consideration the scoping study's finding the YGF is designed by and for young people. A diverse Youth Steering Group was established to meaningfully shift power and decision-making to those with the lived experience of the issues we seek to impact.

The Young Gamechangers Fund opened to the first round of applications in late 2023 and the first funds were awarded in spring 2024. Thirty-three one-year grants, each up to £20,000, were awarded to eight individuals and 25 youth-led organisations across the UK to create positive social change in their communities. The recipients, who span in age from 10 to 25 years old, are also benefitting from a comprehensive support package that includes training and advice.

In 2025, we awarded a second round of YGF awards. Sixty-six one-year grants were awarded to ten individuals and fifty-five youth led organisations, bringing the total number of grants awarded through the programme to ninety-nine. Our Youth Steering Group designed the second funding round, focusing on projects that build community cohesion and bring people together, as well as designing and testing new and innovative approaches to established challenges. They identified several underrepresented demographics from the first funding round and decided to prioritise applications from young people with specific experiences. These included experiences in the criminal or youth justice system, barriers to accessing education, living in rural or isolated communities, residing in coastal towns and communities, seeking asylum or having refugee status, and facing social and financial barriers to opportunities.

This year also saw enhancements to our support package, including increased networking opportunities and an expanded training offer, enabling funded organisations and individuals to strengthen their skills and capacity. Alongside this, we provided additional funding to grant round one recipients to support the continuation of their work. We plan to launch grant round 3 of the Young Gamechangers Fund in 2027.

Aligned with the ethos and principles of the funding programme, the learning and impact approach of YGF prioritises youth-led learning and reflection. In 2024 our learning partner TSIP co-created with young people and other stakeholders the Theory of Change and an evaluation framework that outline the outcomes and impact of the fund and how they will be measured. In November 2025, the YGF mid-term evaluation report showcased early findings of impact from Round 1 grants based on grant recipients' mini-evaluations, end of funding reports and learning workshops.

The mid-term report presents how young people are benefiting from grantee-funded initiatives as they state an increase in their sense of confidence, inner power and ability to lead. Enabling mechanisms for the change to happen were peer support, mentoring and safe spaces. Grantee initiatives embedded shared governance and youth-led decision-making models, which enabled a shift from passive involvement to genuine ownership. The funded initiatives created new ecosystems of support through peer mentoring, alumni networks and identity-based communities, which were spaces for mutual care, advice and resource sharing. The report also evidenced that change was achieved beyond individual growth, at community and systemic levels, including influencing public services (e.g. NHS, police), transforming local spaces, creating educational tools, and building inclusive cultural events. The fund's structure was highlighted for its flexibility, accessibility and responsiveness, as critical to the grantee's success. The combination of flexible funding, supportive relationships with funders and youth-led governance allowed grantees to experiment, adapt and lead with integrity.

Green Opportunities Fund

In 2025, Co-op Foundation and Co-op explored how further deployment of the business's carrier bag income could best support initiatives that align with both organisations' strategic objectives. After much deliberation, it was agreed that Co-op Foundation and Co-op would enter a further three-year partnership, through which Co-op would donate £2.2m of carrier bag income to Co-op Foundation to create a new fund. This fund aims to support young people to understand that green jobs and careers are accessible, desirable and for everyone.

Research from our own Gen Z(ero) report and The King's Trust's Generation Green Jobs report shows that, while young people care deeply about climate change, there is a disconnect between their passion and the practicalities of choosing a green career. This is driven by a lack of awareness of available options, perceptions that green jobs are not attractive career choices, and a sense that these roles are only accessible to the affluent. At the same time, the UK is experiencing a significant green skills shortage, which must be addressed if we are to have a chance of meeting Net Zero by 2050. To close this gap, young people need to be inspired and supported to see greener career paths as viable and achievable options for their future.

This fund seeks to shift perceptions among young people by supporting programmes that educate, inspire and/or equip them to understand that green jobs can offer desirable, attainable and lifelong career paths.

To ensure the fund is grounded in the voices of young people themselves, Co-op Foundation recruited a youth advisory panel of eight young people from our Future Communities Collective. The group, known as the Environmental Collective, has influence over the fund from design through to final decision-making, with a commitment that 50% of the final decision-making panel will be made up of young people.

In addition, we commissioned The Social Agency (the same agency that led the research for the Gen Z(ero) report) to carry out in-depth research to support the fund's development. The Social Agency undertook desk-based research and interviews to help Co-op and Co-op Foundation develop a strong understanding of the opportunities and barriers facing young people in relation to green skills and careers. This included mapping the funding landscape, identifying good practice, and recommending evidence-based eligibility criteria for funding. The report was published in 2026, and next year's report will focus on this area in more detail.

Co-op Live

Being Co-op Live's official charity partner brought new opportunities for us and for our funded partners in 2025. The venue expanded its commitment to supporting our work through using mushrooms grown by FungALL — one of our Young Gamechangers Fund grantees — on special pizzas served at the Co-op Kitchen during Billie Eilish's run of shows last July. This initiative brought together young talent, sustainable food innovation and live music under one roof. FungALL are pictured on the front cover of this report.

Many of our funded partners and the people they support have taken up the opportunity of dreamseats – where they get exclusive tickets to shows of their choice at the venue. Our funded partners have described the opportunity as 'once in a lifetime', something they wouldn't have had access to without the dreamseats programme.

We are continuing to grow the partnership and look for new opportunities in 2026 including bringing

together the music therapy charity Nordoff and Robbins with Co-op Academy Trust to deliver music therapy sessions for students at risk of exclusion or suspension from school.

Campaigning

If 2024 was about building a new campaign strategy and deciding on our campaign focus, 2025 was about identifying new campaign partners who could help us deliver on our aims to reduce the damaging impact youth custody is having on children.

With support from our Campaign Working Group – made up of members of the FCC – and Co-op colleagues from within the business, we decided to partner with Alliance for Youth Justice and Transform Justice. We chose these partners because they share our co-operative values, understand the importance of youth voice when campaigning on issues that affect them and have experience of bringing about lasting systemic change.

We launched our new campaign partnerships over the summer and spent the remainder of the year laying strong foundations for effective, long-term collaboration. This involved truly understanding what we wanted to achieve together and how best, as Co-op's charity, we could help amplify the work they're doing to end the unnecessary imprisonment of children.

One of the priorities we identified was the urgent need to understand public perspectives on children who come into contact with the justice system and the use of prison for children. As a member-owned organisation, we felt it made sense to start with our members. That's why in December last year, we launched a new join-in survey, engaging Co-op members to understand their views on the topic.

Understanding the wider public's views on youth crime and the use of prison for children was important, too. In the final quarter of 2025, we spent time identifying the most suitable research agency and commission More in Common to carry out this work. Working closely with our campaign partners and with support from More in Common, we developed a robust and insightful list of questions before conducting both qualitative and quantitative research in January 2026.

Many charitable organisations within the sector cannot afford to conduct research on public opinions despite the extensive value it provides for both influencing and grant-making applications. We're delighted to have helped strengthen both our campaign work and the wider youth justice sector.

We've already started using these findings to bring about ambitious reform to youth custody so children who come encounter the justice system can be diverted away from custodial environments and effectively supported to fulfil their potential in the community. We're proud to dovetail this work with the Co-op's 'Safer Colleague, Safer Community campaign.

Systemic change

In 2025, we continued our exciting partnerships with dynamic organisations working to bring about systemic change.

In response to the racist and Islamophobic riots of 2024, we awarded a £250,000 grant to BBC Children in Need for an exciting, multi-funder collaboration called 'Lead the Change'. This innovative programme, co-created by the Co-op Foundation and the other co-funders, aims to strengthen community connection and safety; empower young people as leaders, storytellers and changemakers; support young people to build digital literacy and challenge harmful narratives; increase opportunity through skills and leadership pathways and build a national movement for youth-led connection and change.

We also awarded a £40,000 grant to help Young Trustees Movement to support and develop young trustees and to advocate for change in the inequality and exclusion of marginalised young people within trusteeship.

In addition to this, we continued working in partnership with the Institute for Voluntary Action Research, to support Open and Trusting grantmaking.

We also benefited from our membership with Funders for Race Equality Alliance, taking part in the racial justice audit and participating in their informative events to help improve racial equality in grantmaking.

Impact, learning and influencing

Following the launch of our strategy, Building communities of the future together, Co-op Foundation worked with NCVO in 2023 to co-create an organisational theory of change and evaluation framework to guide consistent data collection. he framework prioritises ten outcomes: five for young people and five for funded organisations, measured through annual surveys, focus groups and interviews.

The Year 2 evaluation reflects on our 2025 impact and learning against our five-year strategy, which puts co-operation and young people at its core to build safer, fairer, more inclusive and sustainable communities. Our first year of data collection covered activity in 2024 and was published in *Delivering our strategy "*Building communities of the future together": Evidence, learning and next steps*"*. That evaluation helped us identify ways to improve our funding programmes and strengthen capacity-building support. During 2025, we acted on this learning by increasing Foundation team presence in the Future Communities Collective, strengthening capacity-building support on fundraising, communications, financial management and safeguarding, taking a more targeted approach to recruiting young people into decision-making opportunities, and increasing young people's interaction with our Board of Trustees.

Between November 2025 and January 2026, we conducted the second round of evaluation data collection. Three surveys captured the views of 70 young people aged 16–25 and 32 funded partners, while focus groups and interviews provided more in-depth insight from 22 young people aged 10–25 and 14 funded partners. This year also included additional focus groups with organisations working with young people under 16, whose views had not been included in Year 1. Data collection, similarly to Year 1, covers all our funding and campaigns activity, including work we do directly with young people e.g. through our Future Communities Collective, work we do through our direct funding to organisations e.g. our Futures Communities Fund Round 1, and work our delivery partners do e.g. through Funding Futures and Young Gamechangers Fund.

Findings were tested and reflected on with the Co-op Foundation team, trustees, funded partners and young people, and recommendations were co-created to ensure they reflected lived experience and delivery realities.

The key findings show that our funding and campaign activities continue to provide high-quality engagement and support for young people and funded partners. Young people were highly satisfied with their experience: 93% reported being satisfied or very satisfied with both the quality of engagement and the level of engagement they had with the Foundation, delivery partners or funded organisations. Young people also felt well supported to take part: 100% said they had the information they needed, 99% felt their thoughts and opinions were listened to, 96% felt able to express themselves freely and safely, and 94% said they had opportunities to share views on issues affecting young people. The evaluation shows that young people are involved in varied and meaningful activities, including volunteering, training, co-designing projects or funding programmes, research and participatory grant-making. However, engagement is less embedded in formal decision-making spaces

such as governance, organisational decision-making and policy development. Young people's perceived influence was also mixed: 52% felt they had influenced decisions to a large or very large extent, while 40% felt they had influenced decisions to some or little extent.

Influence was strongest where young people were involved in funding decisions, particularly through the Future Communities Collective, where young people described having substantial autonomy and decision-making power.

Young people are also using their engagement to create positive change. More than three-quarters, 78%, said they had been able to bring about positive change in their communities to a large or very large extent. Examples included creating safer and more inclusive spaces, advocating on climate action, gender-based violence, anti-racism and mental health, delivering community events, supporting people affected by the justice system, and using media and storytelling to amplify under-represented voice.

The findings show strong outcomes for young people's development. Young people reported gaining communication, listening, negotiation, teamwork, activism and leadership skills, with 95% reporting improved communication skills and 83% reporting improved leadership skills. Almost all also reported increased confidence and increased knowledge of issues affecting young people, both at 95%. These findings suggest that youth engagement is supporting young people to build agency, confidence, relationships and future opportunities.

"I am completing college after missing 3 years of school. I don't deal drugs like many of my old friends got pulled into. I have a clear DBS and much bigger life options than I would have done."
Young person – survey (Young Gamechangers Fund)

For funded partners, the evaluation highlights the value of our funding model. Nearly two-thirds of funded partners said Co-op Foundation support had helped them collaborate more to a large or very large extent. Partners also reported improvements in organisational strength, especially financial stability, external profile, trust in their relationship with the Foundation and ability to respond to opportunities. Long-term, flexible and unrestricted funding was particularly important for youth-focused organisations, enabling them to respond to young people's changing needs, cover core costs, test and adapt activities, and say yes to young people's ideas.

"The unrestricted funding has enabled us to be flexible and much more opportunistic. We have been able to respond and adapt to the needs and aspirations of the young people we work with, and take up opportunities which arise."
Funded partner – survey (Futures Communities Fund Round 1)

Overall, Year 2 findings provide strong evidence that our strategy is being delivered in ways that are valued by young people and funded partners. They also point to clear next steps: deepening youth engagement in formal decision-making, broadening participation among under-represented groups, supporting fair payment and expenses practice, investing in trauma-informed and pastoral support, and continuing to champion flexible, long-term and trust-based funding.

Influencing

Criminal Justice System
City & Guilds Foundation, and organising the first HMPPS, Clinks and funders roundtable.
The ACF Criminal Justice Funders Network brings together 41 trusts and foundations and is designed to be member-led, responding to current developments in the criminal justice sector and issues most relevant to funders. Each session combines 2–3 speakers from across the sector — including charities, researchers, and funders — with breakout discussions that enable funders to share learning, test ideas, and identify opportunities for collaboration.
Key co-convened events included:

21 January 2025 – Emerging issues and policy developments in criminal justice
This session brought together 24 participants to explore the changing policy landscape and its implications for philanthropic funding.

14 July 2025 – Criminal justice, sentencing and rehabilitation
Attended by 15 participants, this event focused on the 2025 Independent Sentencing Review, considering what it may mean for sentencing, rehabilitation, and funder priorities.

7 October 2025 – Women in the criminal justice system
Held in person at City & Guilds Foundation's offices, this event brought together 18 participants and included a screening of *Holloway*, followed by a panel discussion with film contributors and the producer. Feedback was extremely positive: 100% said it deepened their understanding of how women and girls become justice-involved. Importantly, participants identified tangible actions they would take forward, including raising women's criminal justice issues with colleagues and trustees, reviewing how funding could be better targeted, and considering support for the film featured charities.

Alongside this, on 16 October 2025, we co-organised the first Criminal Justice System Funders Roundtable with HMPPS, Clinks and ACF, attended by 10 funders. This was the first dedicated space bringing funders together to discuss how philanthropy can collaborate more effectively with the state. Discussion focused on barriers to partnership, short-term funding, transparency around MoJ/HMPPS priorities, support for grassroots and lived experience-led organisations, and the need for stronger evidence and evaluation. Future thematic forums will build on this dialogue.

Youth funders' practice

We also influenced wider funder practice through London Funders' Festival of Learning, hosting the online session **"Co-designing better funding programmes with and for young people"** on **10 June**, attended by **25 funders**. Drawing on the **Funding Futures** partnership between UnLtd, Co-op Foundation and Phoenix, the session explored participatory grant-making and how funders can design programmes **with**, not just **for**, young people. A fireside chat with UnLtd, a young advisor and a young entrepreneur shared learning on co-design, barriers to funding, financial systems, skills, visibility and wellbeing, encouraging funders to centre youth voice in more equitable practice and social change work.

Challenges

Like many funders, we have seen the impact on our funded partners and the wider charitable sector of the ongoing cost-of-living crisis. Costs are accelerating ahead of income, at the same time that demand on delivery organisations continues to grow. Ensuring that our partners are stable and able to do their impactful work in communities remains a challenge.

We are proudly a four-nation funder and adhere to the Co-operative Value of equity in our funding. It is often a challenge to be able to source sufficient applications of the appropriate quality in Scotland, Wales and Northern Ireland. In 2025, we adopted a new approach and agreed to solicit applications from organisations in the devolved nations that were doing mission-aligned work for the second round of Future Communities Fund.

The Young Gamechangers Fund provides funding and support to a diverse range of young people aged 10-25. Calibrating the needs of such a diverse group has remained a challenge.

Obtaining learning partners of the appropriate quality remains a challenge. During 2025 we had to terminate the contract of one learning partner due to concerns about delivery. We successfully appointed a replacement.

Financial review

The Foundation's total income in 2025 was £3,566,066. This was an increase from 2024's figure of £2,774,617. The main reasons for this were an increase in donations and grants and an increase in investment income.

Expenditure was £3,336,798 in 2025. This represented a slight reduction from £3,662,953 from 2024.

Net income for the year, before investment gains, was £229,268. The Foundation also made investment gains of £1,780,979.

The Foundation also holds a small social investment portfolio. £483,237 of assets were held in mission-related investments at year-end (2024: £577,587).

Reserves

The Foundation's target reserves level are set as a ratio of annual support costs.

The reserves policy sets out:

- A central reserves target equivalent to six months' support costs
- A range of tolerance up to three months either side of this central target (i.e. at any given time, reserves would be maintained at a level between 3 and 9 months' support costs) to allow for expected fluctuations in the phasing of income and expenditure.

Reserves at 2024 year-end were outside this range, at a deficit of £334k. Our designated funds held at year end meant that our reserves were below the target figure. This is because of the timings of payments of £956k of unrestricted funds which were received in Q1 2026.

Endowments, restricted fund balances and designated funds are excluded from the definition of reserves. The total value of all assets held by the Foundation at year-end was £25,414,377. This provides a strong financial position from which to deliver our existing plans for 2026 and beyond, as we continue to implement the Foundation's strategy.

The Trustees believe that the Foundation is well placed to manage its business risks successfully. The Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Foundation financial statements.

Risks

The Foundation maintains an Audit, Risk and Finance sub-committee of the Board. This Committee reviews the Foundation's risk framework and recommends various improvements, which were approved by the Board. An updated framework was then adopted in November 2025.

The main risks identified by the Foundation and mitigating actions taken in 2025 are summarised below.

Main risks	Controls
Cyber-attack or security breach affecting Foundation systems via Co-op infrastructure (phishing, malware, credential loss)	Co-op IT/InfoSec monitoring, MFA, mandatory staff training, protective filtering, incident response protocols.
The impact of cost-of-living crisis on partners and the wider community leads to fewer outcomes delivered by Co-op Foundation's funding	Agreed approach with Board of Trustees and funding partners to support partners with greater flexibility and additional funding
Co-op does not deliver on its stated commitment to donate agreed funding to the Foundation	Ongoing dialogue with senior Co-op figures in respect of Co-op funding
Loss of key personnel from Foundation team	Continued focus on improved culture and wellbeing. Board Wellbeing champions engaging with team
Foundation funds used for activities outside of charitable objects	Policy on grants to non-charities approved following review of legal advice
Foundation fails to meet data protection requirements under GDPR	Drafted risk and remediation plan in consultation with Group Risk
Failure to access significant new income streams in line with strategic ambitions	High-level engagement with senior Group stakeholders, support from Group fundraisers to develop opportunities

Investments

The Trustees have set the following objectives for the Foundation's long, medium and short-term investments.

Fund	Objectives	Benchmarks
Main endowment	To maximise total return over the long-term (5 to 10-year horizon) and generate a steady income stream, while investing in accordance with the UN Principles for Responsible Investment	Consumer Price Index +3% per annum (of which 2% realised as income)
Environmental endowment	To maintain the real value of capital over the long term and generate a steady income stream, while investing in accordance with the UN Principles for Responsible Investment, and where practical giving additional weight to investments with a positive environmental impact.	CPI + 2% per annum
Income funds for medium-term investment	To maintain the real value of funds over the medium term, while investing in accordance with the UN Principles for Responsible Investment.	CPI + 1% per annum
Income funds for short-term needs and contingencies	To maintain the nominal value of the funds and ensure sufficient liquidity to meet all spending requirements, while investing in accordance with the UN Principles for Responsible Investment.	CPI

In 2025, the Foundation's investment portfolio was moved to be held and invested Cazenove and is allocated as follows:

- Cazenove Sustainable

Despite the significant market uncertainties, our investments performed well in 2025, showing gains of £1,560,639 over the year.

Fundraising

The Foundation does not undertake widespread fundraising from the general public and does not use professional fundraisers or commercial participators. The day-to-day management of all income generation is delegated to the executive team, who are accountable to the Foundation's Board.

The income of the Foundation is not bound by any regulatory scheme, and the Foundation does not consider it necessary to comply with any voluntary code of practice relating to fundraising. We have received no complaints in relation to any fundraising activities. As we do not approach individuals for the purpose of raising funds, we do not have specific requirements related to fundraising activities, nor do we consider it necessary to design specific procedures to monitor such activities.

Plans for future periods

The impact of the multiple crises facing society has shown that the need for co-operation is greater than ever before. The Foundation's principal focus will be on the implementation its five year strategy.

In addition, specific plans for 2026 include:

- Further growing our partnership with Co-op Live, a new arena in Manchester which will fund the Foundation with £1m per year
- Working to more effectively centre the voices of young people and those with lived experience within all our decision making
- Delivering the third round of the Young Gamechangers Fund
- Delivering the second round of our new Green Skills Fund, funded by a proportion of the sale of compostable carrier bags in Co-op Food stores
- Continued implementation of the DEI Data Standard
- Further embedding our organisational Theory of Change into our work
- Refreshing the Foundation's strategy as the current five-year strategy draws to its conclusion in November 2027

The Co-op Foundation is proud to be a contributor to the Co-op's wider commitment to racial equality and inclusion. The issues of racial justice are systemic, deeply entrenched, and knotty. The Co-op Foundation believes that being 'not racist' is not enough; we strive to be anti-racist. This means that means that we'll work to eliminate individual, institutional, and systemic racial inequalities that currently exist.

In recent years, we have made meaningful improvements to the diversity of both our team and our Trustee Board's. The remains, however, more work to do: currently, our leadership team is all white.

Structure, governance and management

The Foundation is governed by its Memorandum and Articles of Association ('Articles').

Trustees are appointed by Co-operative Group Limited (Co-op'). The Co-op is currently the Foundation's sole Member. With the Co-op Board's approval, Trustees may co-opt a new Trustee to fill a vacancy at any time. Co-opted Trustees may then be elected at the next AGM.

In 2025, two Trustees are senior Co-op colleagues. Two are elected members of the Co-op National Members' Council. Five are recruited through open advertisement.

New Trustees are inducted by the Foundation CEO and the Secretary. This covers their legal and regulatory duties and the Foundation's governance, finances and strategy. The Board maintains a skills matrix based on each Trustee's self-assessment of their experience and expertise. This is updated every year and informs priorities for succession planning and further training and development.

Trustees are not paid and do not receive any benefits. They are reimbursed for expenses incurred on Foundation business.

Trustees are responsible for decisions on policy, strategy and allocation of resources. This includes approving the annual operating budget and major grant awards. Day-to-day running of the Foundation is delegated to the Foundation CEO. The Foundation CEO and Foundation team work within the policy, strategic and financial frameworks set by Trustees.

The Foundation team is employed by the Co-op, but reports to the Board of Trustees. The Foundation CEO's pay is set by the Trustees, who consult with the Co-op to establish suitable salary benchmarks. The Co-op provides various support services to the Foundation. The Foundation reimburses the Co-op for salary costs of the Foundation team, whose time is spent only on Foundation work. The Co-op does not charge the Foundation for the cost of Co-op colleagues who support the Foundation as part of wider roles in the Co-op. This includes the Foundation Secretary. Nor does the Co-op charge for office space and other facilities that it provides for the Foundation's use. The Trustees have considered the recognition of a gift in kind but feel the amount is immaterial.

Compliance with the Charity Governance Code

The Board agrees that the principles in the Charity Governance Code ('the Code') represent best practice. It aims to apply these where appropriate and practical. The following is a summary of the Foundation's compliance with the Code.

1. **Foundation Principle**
Trustees understand their role, responsibilities and legal duties and invest the necessary time and care in understanding the charity and its purpose.

2. **Organisational Purpose**
The Board reviews the Foundation's purpose as part of their annual strategy day. The Board has adopted a Values Framework which is used to ensure that all decision making and planning aligns to the Foundation's mission and values.

3. **Leadership**
The charity is headed by an effective board that provides strategic leadership in line with the charity's purpose and values. The Foundation has in place a set of clearly defined values, a trustee code of conduct and role descriptions for officer roles, including the chair. There is a regular appraisal of the chair and trustees.

4. Ethics and culture

The Board has adopted a Code of Conduct which outlines the standards and behaviours expected from the Board and has policies in place for trustee expenses and investments. The Foundation has appropriate training and policies in place relating to safeguarding, complaints, fraud and whistleblowing which are reviewed by the Board on a regular basis. The Trustees acknowledge their accountability to a range of stakeholders. They ensure that appropriate stakeholder engagement is factored into all the Foundation's activities.

5. Decision Making

The Board has 'matters reserved' and a financial delegated authorities framework. These act as effective delegation and control. 2025 was the fifth year of the Audit, Risk and Finance Committee, which is responsible for overseeing the risk management framework and assessing the effectiveness of internal controls. The Committee Chair provides an update to the Board on items discussed at each meeting.

6. Managing resources and risks

The Board annually reviews and approves the budget for the financial year in line with the Foundation's strategic aims and values. The annual report and accounts are audited annually by an external independent auditor. There is in place a risk management framework which is reviewed by the Audit, Risk and Finance Committee.

7. Equity, diversity and inclusion

The Foundation is committed to promoting equality and preventing discrimination and to reviewing the diversity of the Board. It aims to create an inclusive environment, where everyone can contribute their best work and develop to their full potential. The Foundation treats its Board, colleagues and partners as individuals, allowing them to be themselves regardless of age, gender, disability, race, religion or sexual orientation. It also values different social and educational backgrounds, life experiences, career paths and diversity of thought.

8. Board effectiveness

The Board holds at least four meetings each year. The Secretary maintains a forward planner, which is presented at each Board meeting. This ensures that Trustees have enough time to explore key issues and reach well-considered decisions. The Board regularly considers the mix of skills, knowledge and expertise of the Board. An annual board evaluation is undertaken and an external evaluation every three years.

Statement of responsibilities of the trustees

The trustees (who are also directors of Co-operative Community Investment Foundation for the purposes of company law) are responsible for preparing the trustees' 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 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 UK Accounting Standards and statements of recommended practice have been followed.

- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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
- 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

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

The trustees' annual report has been approved by the trustees on 15 September 2026 and signed on their behalf by:

Ruth Marvel OBE
Chair, Board of Trustees

Independent auditor's report to the members of Co-operative Community Investment Foundation

Opinion

We have audited the financial statements of Co-operative Community Investment Foundation (the 'charitable company') for the year ended 31 December 2025 which comprise the statement of financial activities, balance sheet, 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 FRS 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 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
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 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 Co-operative Community Investment Foundation'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 trustees' 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, except to the extent otherwise explicitly stated in our report, 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.

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 trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report 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 trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require 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 directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit, risk and finance committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
    - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
    - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting

estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. 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.

Jonathan Coyle (Senior statutory auditor)

17 September 2026

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activities (incorporating the income and expenditure account)

for the year ended 31 December 2025

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2025 Total Funds £	2024 Total Funds £
Income and endowment from:						
Donations and grants	3	1,378,349	1,617,000	-	**2,995,349**	2,440,050
Investments	3	434,536	136,181	-	**570,717**	334,567
Total income		**1,812,885**	**1,753,181**	**-**	**3,566,066**	2,774,617
Expenditure on:						
Charitable activities	4	(3,104,408)	(232,390)	-	**(3,336,798)**	(3,662,953)
Total expenditure		**(3,104,408)**	**(232,390)**	**-**	**(3,336,798)**	(3,662,953)
Net income/(expenditure) (before net gains/(losses) on investments)		(1,291,523)	1,520,791	-	**229,268**	(888,336)
Net gain/(loss) on investments	8	10,595	29,445	1,740,639	**1,780,679**	1,868,248
Transfers between funds		287,860	(107,860)	(180,000)	**-**	-
Net movement in funds		**(993,068)**	**1,442,376**	**1,560,639**	**2,009,947**	979,912
Reconciliation of funds:						
Total funds brought forward	11	1,711,254	428,552	21,264,624	**23,404,430**	22,424,518
Total funds carried forward		718,186	1,870,928	22,825,263	**25,414,377**	23,404,430

All income and movement in funds arise from continuing operations. There are no gains or losses other than those recognised in this statement of financial activities.

Movement in funds are disclosed in Note 11.

The notes to the accounts form an integral part of the financial statements.

Balance Sheet

as at 31 December 2025

	Notes	2025	2024
		£	£
Fixed assets:			
Investments	8	**22,825,263**	22,699,427
Total Fixed assets		**22,825,263**	22,699,427
Debtors: amounts receivable after more than one year	9	**354,129**	344,500
Current assets:			
Debtors: amounts receivable within one year	9	**760,796**	706,896
Cash at bank and in hand		**4,501,907**	3,475,789
Total Current assets		**5,262,703**	4,182,685
Current Liabilities:			
Creditors: amounts falling due within one year	10	**(1,705,647)**	(3,027,313)
Net current assets		**3,557,056**	1,155,372
Total assets less current liabilities		**26,736,448**	24,199,299
Creditors: amounts falling due in more than one year	10	**(1,322,071)**	(794,869)
Total net assets		**25,414,377**	23,404,430
The funds of the charity:			
Endowment			
Environmental	11	**5,097,422**	4,721,886
Main endowment	11	**17,727,841**	16,542,738
Restricted income funds	11	**1,870,928**	428,552
Unrestricted funds			
General fund	11	**(334,102)**	648,966
Designated	11	**1,052,288**	1,062,288
Total charity funds		**25,414,377**	23,404,430

The notes to the accounts form an integral part of the financial statements.

These financial statements were approved by the Trustees on 15 September 2026 and were signed on their behalf by:

Ruth Marvel OBE
Chair of Trustees
Company registered number: 4117665

Statement of cashflows

for the year ended 31 December 2025

Reconciliation of net movement in funds to net cash flow provided by / (utilised in) operating activities:

	2025	2024
	£	£
Net movement in funds	**2,009,947**	979,912
(Gains)/Losses on investments	**(1,780,679)**	(1,868,248)
Deduct investment income shown in investing activities	**(570,717)**	(334,567)
(Increase)/Decrease in debtors	**(63,529)**	867,887
(Decrease)/Increase in creditors	**(794,464)**	(1,197,423)
Net cash (used in)/provided operating activities	**(1,199,442)**	(1,552,439)

Cashflows from investing activities:		
Investment income	**570,717**	334,567
Investment drawdowns	**1,654,843**	1,000,000
Cash provided by investing activities	**2,225,560**	1,334,567
Increase/(Decrease) in cash and cash equivalents in the year	**1,026,118**	(217,872)
Cash and cash equivalents at the beginning of the year	**3,475,789**	3,693,661
Total cash and cash equivalents at the end of the year	**4,501,907**	3,475,789

Notes *(forming part of the financial statements)*

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity's financial statements except as noted below. The principal accounting policies adopted, judgement and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

Co-operative Community Investment Foundation is a registered charity and a company limited by guarantee incorporated in England. The registered office is 1 Angel Square, Manchester, M60 0AG.

These accounts have been prepared in accordance with UK Generally Accepted Accounting Practice, comprising Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and the Charities SORP second edition (FRS 102) issued by the Charities Commission in October 2019, together with the reporting requirements of the Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. The Charity has adapted the Companies Act formats to reflect the SORP and the special nature of the Charity's activities. The Charity is a public benefit entity.

Going concern

In determining the appropriate basis of preparation of the financial statements for the year ended 31 December 2025, the Trustees are required to consider whether the Foundation has sufficient resources to continue in operational existence for the foreseeable future. The Foundation generated net income in the year ended 31 December 2025 of £125,836 (2024: net income of £868,247) and at the balance sheet date holds net assets of £25,414,377 (2024: £22,424,518).

The Trustees have concluded that it is appropriate to adopt the going concern basis, following an assessment of the financial forecasts and financial assets available to the Foundation. Management has funds to satisfy the future liabilities that they are aware of now and assets remain in place and available to meet future liabilities until at least the end of July 2026.

Therefore, after conducting the financial projections exercise set out above and making all appropriate inquiries, the Trustees have a reasonable expectation that the Foundation has access to adequate resources to enable it to continue in operational existence for the foreseeable future.

Income

All income is recognised once the Charity has entitlement to it, it is probable that the income will be received and the monetary value of the income can be measured with sufficient reliability. Committed grant income not yet received is recognised as a asset on the balance sheet. If grant income is receivable in less than one year it is classified as short term and if receivable in more than one year as long term.

Grant expenditure

Grants made by the charity are recognised when there is a constructive obligation to pay. Grant expenditure is recognised when grants are approved by the Trustees, notified and accepted by the organisations concerned, payment is probable, it can be measured reliably, and all conditions have been met. Grant expenditure not yet paid is recognised as a liability on the balance sheet. If grants are payable in less than one year they are classified as short term and if payable in more than one year, then they are classified as long term.

Other expenditure

Expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation committing the Charity to the expenditure, payment is probable, and it can be measured reliably. Costs have been directly attributed to a particular heading in the Statement of Financial Activities on a headcount basis or on a time basis consistent with the use of the resource.

This includes the cost of monitoring and evaluating projects to ensure the money is being used to maximum effect and ensuring that grant making is supported, processed and governed responsibly. This also includes costs of staff who support the grant making process, cost of meetings and other expenditures incurred in this process.

Taxation

The Co-operative Community Investment Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Nature of funds

Unrestricted income relates to funds available for use at the discretion of the Trustees in furtherance of the general objects of the charity. The charity has a number of restricted income and endowment funds received for specific purposes, which are documented and used accordingly. A restricted income and endowment fund arises from monies received that are communicated to the Charity for specific uses outlined in grant agreements and grant letters.

Notes *(continued)*

Financial assets
Basic financial assets represents investments, accrued income, trade debtors including amounts due by related parties, sundry debtors and cash and bank balances that are initially recognised at transaction price. Investments are subsequently measured at fair value with all adjustments going through the Statement of Financial Activities. At 31 December 2025, the Foundation had only financial assets classified as basic financial instruments. Debtors receivable in less than one year are recorded at transaction price. Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled.

Fixed asset 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 market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading “Net gains/(losses) on investments” in the statement of financial activities. The Foundation does not acquire put options, derivatives or other complex financial instruments.

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

Financial liabilities
Basic financial liabilities represents creditors, including amounts owed to related parties and accruals, are initially recognised at transaction price. At 31 December 2025, the Foundation had financial liabilities classified as basic financial liabilities. Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Accrued income

Accrued income is recognised by the charity and accounted for when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Apportionment of expenses

Support costs have been allocated across the programmes of the charity. In 2025 there were 6 programmes (2024: 7 programmes). Expenses which directly relate to a particular programme have been charged to the relevant programme on a 100% basis, while costs relating to the overall management and governance of the charity (e.g. payroll costs) have been apportioned based on estimated time allocation.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Loans and other repayable finance for charitable purposes

Loans to charities are recognised and measured at the amount received or paid, with the carrying amount adjusted in subsequent years to reflect repayments, adjusted for any impairment and net of any bad debt provision. Loans to charities are non-interest bearing and no bad debt provision has been made in 2025.

Donations of gifts, services and facilities
Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees’ annual report for more information about their contribution.

When assessed as material; then on receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Estimates and judgements
The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent form other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes *(continued)*

2. Detailed comparatives for the statement of financial activities

for the year ended 31 December 2024

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Income and endowment from:				
Donations, grants and legacies	1,278,981	1,161,069	-	2,440,050
Investments	41,809	292,758		334,567
Total income	**1,320,790**	**1,453,827**	**-**	**2,774,617**
Expenditure on:				
Charitable activities	2,099,453	1,563,500		3,662,953
Total expenditure	**2,099,453**	**1,563,500**	**-**	**3,662,953**
Net (expenditure)/ income before net gains/(losses) on investments	**(778,663)**	**(109,673)**	**-**	**(888,336)**
Net gains/(losses) on investments	9,057	57,583	1,801,608	1,868,248
Transfer between funds	1,020,003	(20,003)	(1,000,000)	-
Net movement in funds	**250,397**	**(72,093)**	**801,608**	**979,912**
Reconciliation of funds:				
Total funds brought forward	1,460,857	500,645	20,463,016	22,424,518
Total funds carried forward	**1,711,254**	**428,552**	**21,264,624**	**23,404,430**

3. Income

The Foundation has recognised the following income in 2025 and 2024:

	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
Donations and grants						
Carbon Innovation Fund	-	684,000	**684,000**	-	224,069	224,069
Salvation Army	258,757	-	**258,757**	516,333	-	516,333
Local Community Fund	167,000	833,000	**1,000,000**	354,279	837,000	1,191,279
Coop Live	900,000	100,000	**1,000,000**	400,000	100,000	500,000
Other donations	52,592	-	**52,592**	8,369	-	8,369
Total voluntary income	1,378,349	1,617,000	**2,995,349**	1,278,981	1,161,069	2,440,050
Investment Income	434,536	136,181	**570,717**	41,809	292,758	334,567
Total	**1,812,885**	**1,753,181**	**3,566,066**	1,320,790	1,453,827	2,774,617

Notes *(continued)*

4. Expenditure

2025	Charitable Activities £	Governance Cost £	Support Cost £	Total Cost £
Youth Programmes	(473,899)	(4,080)	(264,734)	**(742,713)**
Carbon Innovation Fund	(128,450)	(1,105)	(71,714)	**(201,269)**
Systemic Change (New Strategic Initiatives)	(20,000)	(172)	(11,179)	**(31,352)**
Future Communities	(1,154,973)	(9,942)	(645,065)	**(1,809,981)**
New campaigning activity	(341,866)	(2,944)	(190,998)	**(535,808)**
Social Loans Partner Grants	(10,000)	(86)	(5,590)	**(15,676)**
Total	(2,129,188)	(18,330)	(1,189,280)	**(3,336,798)**
Support cost	(1,189,280)	-	1,189,280	**-**
Governance cost	(18,330)	18,330	-	**-**
Total	**(3,336,798)**	-	-	**(3,336,798)**

All grants expenditure (in both the current and prior years) were to institutions rather than individuals. Grants paid and included in the table below > £100,000 in 2025 related to: 100 & First Foundation (£150,000), Alliance for Youth Justice (£150,001), BBC Children In Need (£250,000), Exit Foundation (£150,000), Inspired Futures (£150,000), Mwanzo Project CIC (£150,000), Refocus Project (£150,000), Tailored Futures (£150,000), The Footprints Project (£150,000), Transform Justice (£135,000). The prior year items >£100,000 related to Algae Products International Ltd (£150,000), Criw Compostio (£122,957), Rhyze Mushrooms Ltd (£148,200), Tagsa Uibhist (£149,999), The Lancashire Wildlife Trust (£148,181), The Wildlife Trust BCN (£150,000), UnLtd (£1,000,000).

Number of grants awarded:	**2025**	2024
<£10,000	**1**	2
£10,001 - £25,000	**1**	1
£25,001 to £50,000	**0**	1
£50,001 to £100,000	**3**	3
>£100,000	**10**	7
Total	**15**	14

2024	Charitable Activities £	Governance Cost £	Support Cost £	Total Cost £
Youth Programmes	(1,209,980)	8,411	(606,440)	**(1,808,009)**
Carbon Innovation Fund	(979,454)	6,809	(490,951)	**(1,463,596)**
Systemic Change (New Strategic Initiatives)	(15,000)	104	(7,495)	**(22,391)**
Future Communities	(45,032)	314	(22,606)	**(67,325)**
New campaigning activity	(69,108)	481	(34,647)	**(103,274)**
Agile Fund	(130,000)	903	(65,116)	**(194,213)**
Social Loans	(2,812)	19	(1,351)	**(4,145)**
Total	(2,451,386)	17,040	(1,228,607)	**(3,662,953)**
Support cost	(1,228,607)	-	1,228,607	**-**
Governance cost	17,040	(17,040)	-	**-**
Total	**(3,662,953)**	-	-	**(3,662,953)**

4. Expenditure *(continued)*

Support costs, governance costs and costs of raising funds have been allocated across the programmes using the percentages in the table below. The split in costs is based on estimated colleague time spent on each programme. Support costs primarily relate to people related costs incurred by Co-op Group employees who worked for the Foundation during the year and occasionally third party advice sought by the charity. The Trustees do not receive any remuneration or benefit from the charity for their service.

Allocation of Costs	**2025**	2024
Systemic Change (New Strategic Initiatives)	**0.9%**	0.6%
Youth	**22.3%**	49.4%
Agile Fund	**0.0%**	5.3%
Carbon Innovation Fund	**6.0%**	40.0%
Future Communities Fund	**54.2%**	1.8%
New Campaigning Activity	**16.1%**	2.8%
Social Loans	**0.5%**	0.1%
Total	**100.0%**	100.0%

Notes *(continued)*

5. Net income / (expenditure) for the year

Net income / (expenditure) for the year is stated after charging auditor remuneration of £15,275 excluding VAT (2024: £14,200).

6. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:	**2025**	2024
	£	£
Salaries and wages	**767,215**	789,085
Social security costs	**93,930**	85,546
Employer's contribution to defined contribution pension schemes	**104,613**	102,512
Total	**965,758**	977,143

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2025	2024
£90,000 - £99,999	**-**	1
£100,000 - £109,999	**1**	**-**

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £128,921 (2024: £127,434).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,773 (2024: £230) incurred by 6 members (2024: 1) relating to attendance at meetings of the trustees.

7. Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 16 (2024: 17).

8. Investments

	2025	2024
	£	£
Fair value at the start of the year	**22,699,427**	21,831,179
Additions at cost	**21,009,399**	-
Disposal proceeds	**(22,664,242)**	(1,000,000)
Net gain/(loss) on change in fair value	**1,780,679**	1,868,248
Fair value at the end of the year	**22,825,263**	22,699,427

All investments are held in Unit Trust investments by Cazenove Capital.

Notes *(continued)*

9. Debtors

	2025	2024
Amounts falling due within one year:	**£**	£
Amounts due from related parties	**145,156**	-
Loans and other repayable finance for charitable purposes	**129,108**	233,086
Grant income due within less than one year	**460,000**	460,000
Donation income	**26,532**	13,810
	760,796	706,896

All amounts due from related parties are repayable on demand and no interest is payable.

	2025	2024
Amounts falling due after more than one year:	**£**	£
Loans and other repayable finance for charitable purposes	**354,129**	344,500
	354,129	344,500

These loans are repayable between 5 and 20 years.

Loans and other repayable finance for charitable purposes (as above)

	2025	2024
	£	£
Amounts falling due within one year	**129,108**	233,086
	354,129	344,500
Total	**483,237**	577,586

9. Debtors *(continued)*

Repayable loans made were as follows:	2025			2024
	Initial loan	**Repayments**	**Net balance**	Net balance
	£	**£**	**£**	£
Anti tribalism	50,000	(50,000)	**-**	6,250
Ballymacash Sports Academy	50,000	-	**50,000**	50,000
Beechbrae	50,000	(34,375)	**15,625**	19,792
Bramley elderly action (OWLS)	50,000	(50,000)	**-**	3,125
Centre 4 Limited	50,000	(50,000)	**-**	-
Church Aston	10,000	(10,000)	**-**	-
Circus Eruption	64,395	(22,000)	**42,395**	14,000
Coedwig community Woodland	22,000	(21,083)	**917**	6,417
Constitution Hill	30,000	(30,000)	**-**	-
Creative Health	10,000	(10,000)	**-**	-
Eastside Community Felix Road	50,000	(50,000)	**-**	1,042
Element society	7,500	(7,500)	**-**	-
FROG	50,000	(46,750)	**3,250**	14,083
Future Wolverton	50,000	(21,600)	**28,400**	32,300
Granby Four Streets	50,000	(50,000)	**-**	-
Hamara Healthy Living Centre	50,000	-	**50,000**	-
Heeley development	100,000	(65,833)	**34,167**	44,167
Highbury Roundhouse assoc	55,000	(55,000)	**-**	2,138
Hulme Community Garden Centre	50,000	-	**50,000**	50,000
Iona Village Hall	30,000	(30,000)	**-**	5,400
Jubilee Community	50,000	-	**50,000**	50,000
Jubilee Pool Penzanze	50,000	(50,000)	**-**	-
Newnham on Severn	30,000	-	**30,000**	30,000
Norton Sports Charity	50,000	(46,875)	**3,125**	15,625
Oban Communities Trust	30,000	(11,500)	**18,500**	22,000
October Books Limited	20,000	(16,333)	**3,667**	7,667
Projeckts Mcr Ltd	50,000	(24,147)	**25,853**	32,567
Rotherham Rise	50,000	(50,000)	**-**	10,417
RUSS	50,000	(50,000)	**-**	-
Seagulls Re-Use Limited	50,000	(27,734)	**22,266**	37,109
Sudbury Gasworks Restoration Trust	50,000	(750)	**49,250**	50,000
The Star Tree Studio CIC	26,500	(24,844)	**1,656**	8,281
The Walled Garden	50,000	(50,000)	**-**	-
Todmorden Learning Centre	50,000	(45,833)	**4,167**	14,167
Urban biodiversity	50,000	(50,000)	**-**	1,042
White Rock	50,000	(50,000)	**-**	50,000
WTOW - Welcome to Our Woods	50,000	(50,000)	**-**	-
Total	**1,635,395**	**(1,152,158)**	**483,237**	**577,587**

The Foundation trustees have assessed the recoverability of all outstanding loan balances and are satisfied that all balances are fully recoverable. As such there is no bad debt provision in place as at 31 December 2025 (2024: nil).

10. Creditors

Amounts falling due within one year

	2025	2024
	£	**£**
Grants payable	**1,266,838**	2,768,288
Accruals	**18,330**	17,040
Amounts due to related parties	**420,479**	241,985
	1,705,647	3,027,313

Amounts falling due after more than 1 year

	2025	2024
	£	**£**
Grants payable (within 1-5 years)	**1,322,071**	794,869
	1,322,071	794,869

Notes *(continued)*

11. Movement in funds

2025	Fund balances b/f	Income	Expenditure	Transfers	Gains and losses	Fund balances c/f
	£	£	£	£	£	£
Restricted funds:						
Environmental	818,988	136,181	-	40,218	3,146	**998,533**
Community Fund	(829,000)	833,000	(3,940)	-	-	**60**
Britannia	87,342	-	-	(99,110)	11,768	**-**
Big Lottery Fund #iwill grant	48,968	-	-	(48,968)	-	**-**
Welsh carrier bag levy	84,041	-	-	-	-	**84,041**
Carbon Innovation Fund	218,213	684,000	(128,450)	-	14,531	**788,294**
EMAC	-	100,000	(100,000)	-	-	**-**
Total Restricted funds	428,552	1,753,181	(232,390)	(107,860)	29,445	**1,870,928**
Unrestricted funds:						
General funds	648,966	1,812,885	(3,094,408)	287,860	10,595	**(334,102)**
Designated funds	1,062,288	-	(10,000)	-	-	**1,052,288**
Total Unrestricted funds	1,711,254	1,812,885	(3,104,408)	287,860	10,595	**718,186**
Endowment fund:						
Environmental	4,721,886	-	-	(40,218)	415,754	**5,097,422**
Main endowment	16,542,738	-	-	(139,782)	1,324,885	**17,727,841**
Total endowment funds	21,264,624	-	-	(180,000)	1,740,639	**22,825,263**
Totals funds	23,404,430	3,566,066	(3,336,798)	-	1,780,679	**25,414,377**

2024	Fund balances b/f	Income	Expenditure	Transfers	Gains and losses	Fund balances c/f
	£	£	£	£	£	£
Restricted funds:						
Environmental	523,580	292,758	(3,500)	-	6,150	**818,988**
Community Fund	(1,666,000)	837,000	-	-	-	**(829,000)**
Britannia	528,326	-	(464,000)	-	23,016	**87,342**
Big Lottery Fund #iwill grant	85,517	-	(16,546)	(20,003)	-	**48,968**
Welsh carrier bag levy	635,263	-	-	(551,222)	-	**84,041**
Carbon Innovation Fund	393,959	224,069	(979,454)	551,222	28,417	**218,213**
EMAC	-	100,000	(100,000)	-	-	**-**
Total Restricted funds	500,645	1,453,827	(1,563,500)	(20,003)	57,583	**428,552**
Unrestricted funds:						
General funds	406,859	1,309,688	(2,096,641)	1,020,003	9,057	**648,966**
Designated funds	1,053,998	11,102	(2,812)	-	-	**1,062,288**
Total Unrestricted funds	1,460,857	1,320,790	(2,099,453)	1,020,003	9,057	**1,711,254**
Endowment fund:						
Environmental	4,503,430	-	-	-	218,456	**4,721,886**
Main endowment	15,959,586	-	-	(1,000,000)	1,583,152	**16,542,738**
Total endowment funds	20,463,016	-	-	(1,000,000)	1,801,608	**21,264,624**
Totals funds	22,424,518	2,774,617	(3,662,953)	-	1,868,248	**23,404,430**

11. Movement in funds *(continued)*

Restricted funds:

Environmental – this is the income received from our restricted Environment Fund endowment following the merger of United Co-operatives Ltd and Co-operative Group Ltd in 2007 (see below for further details)

Community - the Community Fund is the remaining balance of funds that were donated through the Co-op's membership scheme prior to 2014. These funds are now being used for the Foundation's Community Spaces programme, which awards grants that are consistent with the original purposes of the Community Fund to support voluntary, self-help or not-for-profit groups to address community issues, provide long-term benefits to the community, support co-operative values and principles, and ideally be innovative in their approach.

Britannia - the Britannia Fund was transferred following the closure of the Building Charitable Foundation and is restricted for use on financial education or numeracy projects. The investment funds have been withdrawn in 2025 for use within the Funding Futures programme (UnLtd)

Big Lottery Fund #iwill grant - this is to be used to deliver a youth-focused grants programme using social action to tackle loneliness among disadvantaged young people.

Luminate - is to be used to support a programme based at Federation Manchester to contribute to a more inclusive digital economy for Manchester and the North West of England.

Carbon innovation - this is a fund that aims to fund organisations delivering innovative project activities that lead to carbon reduction.

EMAC - these are funds donated by Coop Live to fund projects around the east Manchester area.

Designated funds:

We have set aside funds from unrestricted sources for social investment in the form of repayable finance. These designated funds are committed to future social investment loans for charitable purposes. The next round of social investment funding is expected to take place towards the end of 2026.

Endowment funds:

The Environment Fund was a scheme set up following the merger of United Co-operatives Ltd and Co-operative Group Limited in 2007. In 2007, £2,000,000 was granted to the Co-operative Foundation by United Co-operatives, to be "ring fenced" with the annual return being used to fund environmental projects within the United Region.

The investment is shown as Endowment funds and income from the investment is shown as Restricted. In 2016 the Trustees received legal advice suggesting that this fund is permanent endowment.

The Main Endowment fund of £17,727,841 (2024: £16,542,738) is an expendable endowment held to generate investment income to be distributed in line with the objects of the charity.

Transfers:

#iWill transfer: Previous iterations of the Big Lottery Fund #iwill programme (prior to the Young Game Changers programme) reported an underspend of £48,967. In 2024, a detailed review was undertaken to assess the actual costs incurred in delivering and closing the programme during 2023 and 2024. Following this review, agreed administration costs of £38,851 were recognised, funded on a 50/50 matched basis between #iwill and the Co-op Foundation which was transferred to unrestricted to repay back the costs incurred. This resulted in a remaining balance of £10,116.
Approval was obtained from the Head of the #iwill Fund at the National Lottery for the Co-op Foundation to retain the remaining balance, as actual administration costs exceeded earlier estimates. Accordingly, £10,116 has been transferred from restricted #iwill funds to unrestricted funds to contribute towards the recovery of these costs.

Endowment investment transfer: In late 2024, the Trustees approved the transfer of endowment investments from Royal London to Cazenove Capital to generate unrestricted investment income as previously only the environment endowment was set up to generate income. Royal London required the investment proceeds to be paid into the Co-op Foundation's bank account prior to onward transfer. The funds were received in March 2025; however, reinvestment was temporarily delayed on advice from Cazenove Capital due to market volatility. As no investment income was generated during this period, £180,000 was retained to reflect interest income forgone while the funds were held in cash. The endowment transfer has therefore been allocated between restricted and unrestricted funds based on the income that would reasonably have been earned had the funds been invested immediately.
Britannia transfer: An accrual was recognised in 2024 for the award made to UnLtd under The Funding Futures programme. This was funded partly from the Britannia restricted fund, derived from investment income, with the remaining balance funded from unrestricted funds.
The restricted Britannia accrual was calculated based on the value of the related investment funds at 31 December 2024. Subsequent investment growth of £99,110 resulted in a misalignment between the accrued amount and the available restricted funds.
This transfer has therefore been made to realign the accrual and ensure that the available restricted funds are fully and appropriately utilised.

Notes *(continued)*

12. Analysis of net assets between funds

	Endowment £	Unrestricted £	Restricted £	Total £
2025				
Investments	22,825,263	-	-	**22,825,263**
Debtors	-	418,782	696,143	**1,114,925**
Cash	-	2,915,738	1,586,169	**4,501,907**
Liabilities	-	(2,616,334)	(411,384)	**(3,027,718)**
Net assets at 31 Dec 2025	22,825,263	718,186	1,870,928	**25,414,377**
2024				
Investments	21,264,624	260,257	1,174,546	22,699,427
Debtors	-	375,537	675,859	1,051,396
Cash	-	2,850,733	625,056	3,475,789
Liabilities	-	(1,775,273)	(2,046,909)	(3,822,182)
Net assets at 31 Dec 2025	21,264,624	1,711,254	428,552	23,404,430

13. Financial instruments

	Note	2025 £	2024 £
Financial assets at fair value through the statement of financial activities			
Investments	8	**22,825,263**	22,699,427
		22,825,263	22,699,427

14. Related party transactions

The Co-op Foundation paid Co-operative Group Limited £965,757 (2024: £981,297) for Foundation staff salaries and other costs directly attributable to Foundation activities. The Trustees consider that the support provided by Co-operative Group Limited represents the best value for money for the charitable company, and that it would not be financially beneficial to employ staff directly.

In regard to gifts in kind, the Co-op Foundation relies heavily on Co-operative Group Limited to provide necessary administrative support for additional staff resources, space and related services. This support includes Co-operative Group costs that are not directly attributable to Foundation activities and are not easily monitored. The Trustees' view that value is not easily quantified. This amount was not included as donations as in the Trustees' view, it is not material in either the current or preceding financial period.

At the year-end £420,479 (2024: £245,986) due to Co-operative Group Limited) was due to the Co-operative Group Limited.

During the financial year, the Trustees of the board have not received either remuneration or benefits, however six (2024: one) Trustees were reimbursed for both their travel and hotel expenses totalling £1,773 (2024: £230).

15. Legal status of the charity

The charity is a company limited by guarantee and has no share capital.

Co-operative Community Investment Foundation (a company limited by guarantee)
Trustees' report and financial statements
For the year ended 31 December 2025

Foundation