COMPANY REGISTRATION NUMBER: 08064488
CHARITY REGISTRATION NUMBER: 1147400

The Costa Foundation

Company Limited by Guarantee

Financial Statements

31 December 2025

The Costa Foundation

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2025

The Costa Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2025

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2025.

Chair's report

2025 has been another year of solid progress, strengthening our team, driving income and delivering on our core mission of improving the life chances of children and young people in coffee-growing communities by providing access to a safe, quality education. For the first time we have also approved funding for projects to change children's lives in the UK.

During the year we have continued to strengthen our Costa Foundation team. We have increased the hours of our Executive Director, made the position of our Project Officer permanent and recruited a Fundraising and Engagement Officer to help drive income.

There have also been changes within the board. After six years, we say a massive thank you and goodbye to trustee and Chair of the Projects Committee, Professor Laura Camfield. Laura has made a huge contribution to the charity during her term in office, and we wish her all the best for the future. I am really pleased that Hannah Bellamy, an existing trustee and member of the Committee, has agreed to take on the role of Committee Chair.

To further strengthen the expertise of our board and Projects Committee we have undertaken a trustee recruitment campaign. Having received hundreds of applications I'm delighted to announce that we have appointed Keith Kibirango, and Professor Freda Wolfenden. Both bring extensive and highly relevant expertise to the board and to the Projects Committee.

Having appointed an external company secretary in 2024, we have spent time in 2025 working through the recommendations of our external governance audit. We have updated many of our policies and embarked on some formal training of the board. Whilst there is more to do, we have made significant progress, and I thank all those who have been involved in improving our governance.

Charitable income increased to £2.08m in 2025, a 9% YOY increase. This is only the second time in our history that our income has exceeded £2m and, given all the challenges in the UK economy, it is a very positive outcome. I would like to thank every team member, customer and partner associated with the Costa Coffee business who has helped to deliver this.

Whilst individual store fund raising remains our biggest single source of income, there are some other very significant income streams. Event income is growing, including the Costa Coffee golf day and first independent franchise gala dinner, and this year saw the tenth anniversary of Costa Coffee's sponsored bike ride. This one event raised £140k. We also saw a 30% increase in our income derived from products sold in stores where a donation is made to the charity. The single biggest contributor is a range of reusable cups. A huge thank you to everyone who helped us raise funds for the Costa Foundation.

In 2025 we have approved grants for 14 projects, in 7 countries, totaling £1.8m. Significantly, and in line with our strategy, two of these are UK projects. This will be the first time that we have supported communities in the UK, the country in which the majority of the Foundation's funds are raised. Working with our partners in coffee growing communities of the world we have completed 12 projects this year, supporting over 6,500 children and young people.

On behalf of the board, I would like to recognise the dedication of so many who make everything possible – our Costa Foundation team: Kate, Faye & Karra, our in-country delivery partners, all those supporting us within Costa Coffee, and all our other partners, supporters and volunteers.

I also would personally like to thank my fellow trustees, who selflessly give their time to support the Foundation. With such a small team we would be unable to deliver so much without the board's dedication and expertise....thank you!

In the year ahead, as we move towards celebrating 20 years of the Costa Foundation, I look forward to seeing the Foundation build on the successes of 2025, helping to change the life stories of even more children and young people across the world.

RGJ Swyer
RGJ Swyer (Jul 20, 2026 17:23:37 GMT+1)

Jul 20, 2026

Rob Swyer – Chair, The Costa Foundation

The Costa Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2025

Reference and administrative details

Registered charity name	The Costa Foundation
Charity registration number	1147400
Company registration number	08064488
Principal office and registered office	3 Knaves Beech Business Park Davies Way Loudwater High Wycombe Bedfordshire HP10 9QR UK

The trustees

A Aggarwal	
L Camfield	(Resigned 31 December 2025)
H Finn	
C Balfour-Poole	
H Bellamy	
R Swyer	
R Blyth	
N Orrin	
C Angrand	(Appointed 28 April 2025)
K Kibirango	(Appointed 14 April 2026)
F Wolfenden	(Appointed 14 April 2026)

L Camfield resigned from the board following six years in the role of trustee and Projects Committee.

The Foundation was incorporated at Companies House on 10 May 2012, registered as a charity with the Charity Commission on 23 May 2012 and with the Office of the Scottish Charity Regulator on 17 September 2012.

Prior to the incorporation of the Foundation, donations were collected in an account maintained by Charities Trust, an independent registered charity, pursuant to an agreement with Costa Limited and with the intent that the monies in the account would be used for similar charitable purposes to those adopted by the Foundation. Following incorporation, Charities Trust transferred the funds then held by them to the Foundation.

The Articles of Association of the Foundation established the objects and powers of the Foundation. In the event of the Foundation being wound up, members are required to contribute an amount not exceeding £1 each.

Company secretary	Gillian Long
Executive Director	Kate O'Brien

Auditor	MC Audit Limited Statutory Auditors Station House North Street Havant Hampshire PO9 1QU
Bankers	National Westminster Bank Plc PO Box 12263 1 Princes Street London EC2R 8PH

Structure, governance and management

Relationship with Costa Limited
Under the Articles of Association of the Foundation, Costa Limited ("Costa") has the power to appoint Trustees of the Foundation provided at least two Trustees are appointed by the Board of Trustees. Costa is party to a Commercial Participation Agreement with the Foundation to enable Costa to raise funds through the sale of certain products from which it has agreed to donate certain proceeds to the Foundation. Funds were also raised via fundraising from Costa's employees and members of the public.

Fundraising Approach
The Foundation's approach to fundraising is to predominantly use the relationship with Costa, its employees, customers and partners to raise funds through fundraising activities and the sale of products. The Foundation does not carry out street fundraising, fundraising mail shots or telephone canvassing.

The Foundation works with Costa to ensure fundraising for the Foundation complies with recognised standards. Fundraising practice is monitored by the trustees of the charity, including any fundraising complaints (none were received during 2025) and always seek to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate.

Governing Document
The Foundation is incorporated as a private company limited by guarantee No.08064488.

The Costa Foundation is a registered charity in England and Wales No. 1147400, a registered charity in Scotland No.SC043414.

The Articles of Association of the Foundation established the objects and powers of the Foundation.

Organisational Structure
The Board of Trustees meets at least four times a year and oversees finance, current project work and the future strategy of the Foundation.

The Foundation also has one sub-committee: the Projects Committee. The purpose and duties of this committee is set out in the terms of reference and are broadly outlined below:

a) To recommend to the Board the projects strategy in fulfilment of the Foundation's Theory of Change
b) To prepare annual budgets for projects and other matters within the remit of the Committee
c) To consider for approval all projects presented for funding by the Foundation
d) To develop and implement a system for the monitoring and evaluation of Foundation projects
e) To monitor all external delivery partners for Foundation projects and to recommend new partners to the Board as relevant

The Projects Committee uses a strategic matrix to assist in the evaluation of project proposals and collects detailed monitoring and evaluation information on Foundation projects to measure their impact and success across several key performance indicators. It reviews delivery partner performance and approves new delivery partners when appropriate.

Trustees visit projects to improve their understanding of the educational needs in coffee growing communities and to check that the funds are being used appropriately.

The Foundation held Trustee Indemnity Insurance during the period.

Karra Jones was recruited as Fundraising & Engagement Officer in November 2025 to join the Foundation team and provide additional support to Kate O'Brien, Executive Director of the Foundation.

Principal risks and uncertainties
The Trustees have examined the major strategic, financial, operational and reputational risks which the charity faces and regularly review what actions can be taken to mitigate these risks. The five risks that would have the highest impact are: a significant decrease in income, especially given reliance on a single supporter (Costa Coffee and related entities); a safety or security incident on a monitoring visit to one of the countries the Foundation funds; safeguarding issues in Foundation funded schools; a reduction in purchasing power due to inflation or currency movements and reliance on a small team to deliver the work of the Foundation.

These risks are mitigated by ongoing investment in building and maintaining strong and positive relationships with Costa and the Foundation's delivery partners. In addition, the Foundation has a safeguarding policy, conducts due diligence with delivery partners, and visits projects to mitigate against the risk of misconduct or breaches of safety. All trustees undertook safeguarding training in 2025, and a thorough review of the safeguarding policy was completed. A full risk assessment is conducted before any overseas trip with appropriate training and monitoring measures in place for all travellers. Grants are given based on the funds available in the bank and no project applications are fully approved unless the Foundation has sufficient funds to cover the entire budget required for that project. The Foundation purchases any required currency once a project has been approved to mitigate any risk of unaffordability as a result of currency fluctuations.

Objectives and activities
The Foundation's Articles state the charity's purpose is: Prevention or relief of poverty; Advancement of education, including the establishment & operation of schools & other educational establishments; Advancement of health or the saving of lives; and Advancement of environmental protection or environmental improvement, in all cases anywhere in the world, in particular (without limitation) within coffee growing communities and surrounding areas.

The charity's vision is to eradicate poverty in coffee growing communities, and its mission is to improve the life chances of children and young people in coffee growing communities by providing the opportunity of a safe, quality education.

In the consideration of projects, the Trustees have due regard to the Charity Commission's guidance on public benefit. The Trustees always ensure that the projects undertaken are in line with the aims and objectives of the Foundation and use its Theory of Change to guide their decisions.

All projects continue to be implemented via delivery partners based in the countries where the projects are undertaken. The delivery partners range from charitable non-governmental organisations to the sustainability teams of coffee companies.

Most grants awarded by the Foundation fund schools that provide access to a safe, quality education for children and young people within coffee growing communities. All new school construction projects are required to have fresh water and separate sanitation facilities for boys and girls. The Foundation also awards grants to expand schools previously built with Foundation funds. Depending upon local needs, the Foundation funds electricity installations, boarding accommodation, teachers' accommodation, libraries, science labs, computer labs, sports pitches and safety infrastructure, such as perimeter fencing, safety lighting and flood barriers. It also funds equipment to enhance education, such as for extra curricula activities.

The Foundation funds training for teachers and school leaders to improve the quality and safety of education, as well as other programmes to improve the quality and accessibility (especially for girls) of education, wellbeing and safety, such as providing bicycles for students.

The Foundation works with communities and local authorities where its school projects are located via its delivery partners but does not employ teaching staff or fund school places. The schools funded in Uganda and Zambia are operated by the charity Promoting Equality in African Schools (PEAS) where the teachers are employed and paid by PEAS. More information is on the PEAS website at www.peas.org.uk. All other Foundation funded schools are run by teachers trained and funded by the government in country or other NGOs. This system ensures the sustainability of the schools as they are not reliant upon continued funding from the Foundation to operate.

Achievements and performance
Projects Funded from 1 January 2025 to 31 December 2025

During the year ended 31 December 2025, 12 projects funded by the Foundation were completed by our partners, supporting over 6,500 children and young people in coffee growing countries. Global inflation and geopolitical challenges, the impact of the climate crisis causing delays due to adverse weather conditions, and local administrative delays continue to challenge our partners, and mean the cost of implementing projects is continuing to rise. Thanks to exceptional fundraising from the teams across Costa Coffee and our partners, we've been able to approve 14 projects in 2025, totalling £1,595,796.68, including eight school constructions and one programme.

Three of these are not included in the total amount granted in the accounts as the grant agreements were not signed until early 2026. This included two projects approved in the UK for the first time to give back to the communities who support the Costa Foundation via the Costa Coffee stores.

The new projects awarded funding in 2025 are as follows:

Name of school/project	Description	Country	Partner	Grant amount	Term
Improvement of rural education in Olopita Community	New school	Guatemala	Seeds for Progress	£85,535.48	2025-2026
Basura primary & secondary school sanitation blocks	Expansion	Ethiopia	Imagine1Day	£56,211.27	2025-2026
Konga Secondary School	New school	Ethiopia	Imagine1Day	£274,540.74	2025-2026
Growing futures: Improving secondary education for marginalized students in coffee growing communities.	Programme	Uganda	PEAS	£203,554.00	2025-2026

20/10 Nong Truong Nursery, Gia Lai Province	New school	Vietnam	ACOM	£223,617.64	2025-2026
Empowerment of new generations in coffee communities - 4 schools	School project	Colombia	FNC	£67,439.00	2025-2026
Lemlem Secondary School	New School	Ethiopia	Imagine1Day	£290,926.55	2025-2026
Increasing access to quality science education in marginalized coffee growing communities in Uganda - Noble	Expansion	Uganda	PEAS	£49,584.00	2025-2026
Increasing access to quality science education in marginalized coffee growing communities in Uganda - Frontiers	Expansion	Uganda	PEAS	£64,569.00	2025-2026
Increasing access to quality science education in marginalized coffee growing communities in Uganda - Pioneer	Expansion	Uganda	PEAS	£64,569.00	2025-2026
Classrooms for Nuestra Señora del Carmen	New school	Colombia	Fundacion Carcafe	£215,250.00	2025-2026
				Total funding awarded 2025: £1,595,796.68	
Additional projects approved for funding in 2025, with funding agreements signed in 2026. N.B These are not included in the 2025 accounts.					
San Pedro de Buculmay School expansion & renovation project	New school	Nicaragua	Fundacion Nicafrance	£176,710.50	2026
'FAWcused Flavours' - repurpose of teaching kitchen	Expansion	UK	Five Acre Wood	£24,999.95	2026

Planting Possibilities': Supporting disabled children and young people to develop enterprise skills through horticulture	Programme	UK	Treloar's	£25,000.00	2026
			Total approved additional projects:	**£226,710.45**	
			Total approved projects 2025:	**£1,822,507.13**	

An overview of projects completed and funded in 2025 is as follows:

	Completed 2025	Approved for funding 2025	Grant agreements signed 2025
New schools	4	5	4
School projects	2	2	2
Expansions	5	5	4
Programmes	1	2	1
Total all projects	12	14	11
Total grant value of projects	£1,046,316.51	£1,822,507.13	£1,595,796.68
Total # children and young people supported via grants	6,515	95,988	95,286

N.B. Project 13E3 PEAS Hibiscus sports pitch was cancelled due to challenges around acquisition of land and additional funds of £6,123 were allocated to project 48E8 PEAS Aspire sports pitch due to construction challenges.

What some of the children and young people and members from the communities we have supported say:

"I want other students to have this chance. Thanks to the Costa Foundation and Imagine1day, TaRL helped me love math. I hope every student can join and learn like I did. I never thought I'd say it, but now math is my favorite subject."
- Hibret, 14 years old – TaRL programme, Imagine1Day. Ethiopia

"The Community comment it as *"the best school they've ever seen in 77 communes in Western Gia Lai province."* It shines like a spark of light in the remote mountains."
- ACOM team, Ia Pet Nursery, ACOM, Vietnam

"My heart is happy, I feel grateful and blessed because we finally achieved a dream project. The school was abandoned and the children were going to study in the neighboring communities, it was not fair that our children did not have a school and now we have achieved it. May God bless the donors, the intermediaries and each parent who contributed work and dedication, we all did our part."
- Milvian Judith García, President of the Parents' Organization at El Zapotal School, Seeds For progress, Guatemala

"When the school was built here, everything changed. The school came to us. This school changed my life. It protects girls from child marriage and gives us a chance to build a better future."
- Fetra, 17 years old - Chekata Secondary School build, Imagine1Day, Ethiopia

We would like to take this opportunity to thank all at Costa Coffee, their partners who have supported the Foundation and other donors for their partnership and support. This includes the Moto Foundation, Roadchef, Odeon, Jim's Organic Coffee and independent franchise partners such as Scoffs. The first gala dinner for Costa's store independent franchise partners took place in September 2025 to raise funds for the Costa Foundation. We would also like to give special thanks to our delivery partners who work so effectively with local communities and other key stakeholders, often in challenging circumstances. We are delighted that we've been able to report continued activity at the levels shown above and truly appreciate their hard work, resilience, commitment and absolute focus on providing the opportunities to positively change the life story of so many children and young people in coffee growing communities.

Communication

Our website contains videos, case studies and stories from around the world. For more information visit www.costafoundation.com. In addition, our Instagram page (@costafoundation) and LinkedIn page (https://www.linkedin.com/company/costafoundation) are regularly updated with images from coffee-growing communities around the world that have benefited from a Costa Foundation funded project plus many stories and images from our inspirational fundraisers in Costa Coffee stores and beyond.

Financial review

Total income for the year ended 31 December 2025 was £2,080,936 (2024: £1,912,360/ 2023: £1,589,574/ 2022: £1,287,715). The increase in income is predominantly due to brilliant fundraising in Costa Coffee stores in the UK and Ireland, a fantastic year of merchandise sales where £1 is donated to the Foundation for specific reusable cups and from events such as the annual bike ride organised by Costa Coffee teams, which celebrated it's 10th anniversary, and the Costa Golf Day, which raised double the funds in 2025 than 2024.

£1,460,559 was paid out or formally committed to in the year to 31 December 2025 and at the balance sheet date a further £594,749 was committed but not accrued as the relevant milestones were subject to conditions that had not yet been met. Other expenditure of £264,916 was made in respect of management of the projects and costs relating to the running of the Foundation. Reserves at 31 December 2025 amounted to £1,848,342 (31 December 2024: £1,476,726/ 31 December 2023: £1,094,488/ 31 December 2022: £1,173,586).

Reserves and Investment Policy

The Reserves at the year-end of £1,848,342 comprising £1,468,573 of cash are held by Nat West and various notice and term cash deposit accounts on the Flagstone banking platform. The Trustees monitor reserve levels regularly to ensure that all commitments are met and that future project requests are reviewed on a timely basis. Funds are only committed to new projects once the income has been received. As a result, there is a delay of some months between the receipt of funds, the approval of projects and the subsequent expenditure of funds to complete those projects. Those funds identified for future projects are held in cash balances for safekeeping pending their expenditure.

The reserves policy was changed in 2024 to increase from £75,000 to £200,000 in order to provide for a close down of the Foundation. This is calculated based on the costs of (i) keeping currently employed staff in position for one year (ii) contracted in Board Secretarial and accounting for one year and (iii) an allowance for ad hoc additional costs such as travel. As projects are not signed off until funds are received, reserved funds are not required for uncertainty of future income, or "troughs" in the cash budget.

Investment Policy

An investment policy was agreed in 2024 to state that £200,000 reserves are to be invested in interest bearing savings accounts. All savings are to be invested in FSCS protected institutions, with no more than the protected £120,000 invested in a single institution. Savings accounts are to be GBP denominated and may be 'notice deposits' requiring advance notice of withdrawals. Investment may be made through a trusted investment portal such as the Flagstone portal endorsed by the Charities Aid Foundation.

Trustees' responsibilities statement
The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom

Accounting Standards (United Kingdom Generally Accepted Accounting Practice).
Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved on 20th July 2026 and signed on behalf of the board of trustees by:

RGJ Swyer
RGJ Swyer (Jul 20, 2026 17:23:37 GMT+1) Jul 20, 2026

R Swyer
Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE COSTA FOUNDATION

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2025 and of its incoming resources and application of resources, including its result, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.
- have been prepared in accordance with the requirements of 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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

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

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

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

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

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

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

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

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

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

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

Use of our report

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

Stuart Mackie

Stuart Mackie (Senior Statutory Auditor)
for and on behalf of MC Audit Limited
Statutory Auditors
Lake House
2 Port Way
Port Solent
Portsmouth
Hampshire
PO64TY

Date: 23rd July 2026

The Costa Foundation

Company Limited by Guarantee

Statement of Financial Activities

(Including income and expenditure account)

Year ended 31 December 2025

			2025		2024
		Unrestricted funds	Restricted funds	Total funds	Total funds
Income	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	2,030,936	50,000	2,080,936	1,912,360
Investment income	6	8,604	-	8,604	0
Total income		2,039,540	50,000	2,089,540	1,912,360
Expenditure					
Expenditure on charitable activities	7, 8	1,717,924	7,551	1,725,475	1,808,395
Total expenditure		1,717,924	7,551	1,725,475	1,808,395
Net (expenditure)/income and net movement in funds		321,616	42,449	364,065	103,965
Reconciliation of funds					
Total funds brought forward		1,476,726	7,551	1,484,277	1,380,312
Total funds carried forward		1,798,342	50,000	1,848,342	1,484,277

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

The Costa Foundation

Company Limited by Guarantee

Statement of Financial Position

Year ended 31 December 2025

	Note	2025 £	2024 £
Current assets			
Debtors	15	496,043	324,600
Cash at bank and in hand		1,468,573	1,369,930
		1,964,616	1,694,531
Creditors: amounts falling due within one year	16	116,274	210,253
Net current assets		1,848,342	1,484,277
Total assets less current liabilities		1,848,342	1,484,277
Funds of the charity			
Restricted funds		50,000	7,551
Unrestricted funds		1,798,342	1,476,726
Total charity funds	18	1,848,342	1,484,277

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

These financial statements were approved by the board of trustees and authorised for issue on 20 July 2026, and are signed on behalf of the board by:

RGJ Swyer (Jul 20, 2026 17:23:37 GMT+1) Jul 20, 2026

R Swyer
Trustee

The Costa Foundation is a Company limited by guarantee registered in England and Wales. Company number 08064488. Charity number 1147400.Scottish charity number SC043414.

The Costa Foundation

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2025

	2025	2024
Cash flows from operating activities	£	£
Net (expenditure)/income	364,065	103,965
Adjustments for:		
Interest payable and similar charges	-	-
Changes in:		
Trade and other debtors	(171,442)	42,395
Trade and other creditors	(93,980)	(630)
Cash generated from operations	98,643	145,730
Interest paid	-	-
Net cash (used in) From operating activities	98,643	145,730
Net (decrease)/Increase in cash and cash equivalents	98,643	145,730
Cash and cash equivalents at beginning of year	1,369,930	1,224,200
Cash and cash equivalents at end of year	1,468,573	1,369,930

The Costa Foundation

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2025

1. **General information**
   The Costa Foundation is a company limited by guarantee, incorporated in England and Wales. The address of its registered office, its registered numbers and principal place of business is disclosed in the Trustee's Annual Report.

   The principal activity of the charity is the advancement of education, the relief of poverty and the advancement of health and environment of coffee-growing communities around the world. The financial statements are prepared in sterling, and this is the functional currency of the Charity.

2. **Statement of compliance**
   These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. **Accounting policies**

   Basis of preparation:

   The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

   The financial statements are prepared in Sterling, which is the functional currency of the entity.

   Going concern:

   These financial statements have been prepared on the going concern basis. This is based on the charity reserves policy, plus the fact the charity only commits to projects once income has been raised, committed project expenditure is already secure. Therefore, we do not view any going concern risk for the charity.

   Judgements and key sources of estimation uncertainty:

   In applying the company's accounting policies, the trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The trustees' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in the making such judgements, estimates and assumptions, the actual results and outcomes may differ.

   The trustees do not consider there to be any significant judgements, estimates or assumptions in these financial statements.

   Foreign exchange:

   Transactions denominated in foreign currencies are translated into sterling on the exchange rate ruling on the date of the transaction.

Fund accounting:

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources:

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured.

Resources expended:

All support costs incurred have been allocated between charitable expenditure and governance as appropriate. There are no costs relating to more than one functional cost category. All expenditure and liabilities are included on an accruals basis and recognised when there is a legal or constructive obligation to pay out resources.

Financial instruments:

The Costa Foundation has only financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction values and subsequently measured at their settlement value.

Defined contribution plans:

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The Foundation is incorporated as a private company limited by guarantee. The Articles of Association of the Foundation established the objects and powers of the Foundation. In the event of the Foundation being wound up, members are required to contribute an amount not exceeding £1 each.

The Costa Foundation

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2025

5. Donations and legacies

Donations 2025	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Donations from sales of products in Costa stores	602,925	-	602,925
Store Fundraising	944,218	-	944,218
Matched Giving	225,000	-	225,000
Donations from Costa	-	-	-
Donations from fundraising	205,320	-	205,320
General and gift aid donations	53,473	50,000	103,473
Payroll Giving	-	-	-
	2,030,936	50,000	2,080,936

Donations 2024	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations from sales of products in Costa stores	262,560	200,000	462,560
Store Fundraising	1,010,387	-	1,010,387
Matched Giving	200,000	-	200,000
Donations from Costa	-	-	-
Donations from fundraising	149,997	-	149,997
General and gift aid donations	89,416	-	89,416
Payroll Giving	-	-	-
	1,712,360	200,000	1,912,360

6. Investment Income

Investment income comprises wholly bank interest: £8,604 (2024: £0)

7. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2025
	£	£	£
Project Expenditure (note 9)	1,453,008	7,551	1,460,559
Project management costs	17,709	-	17,709
Costs of raising funds	30,351	-	30,351
Support costs	216,856	-	216,856
	1,717,924	7,551	1,725,475

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Project Expenditure (note 9)	1,418,826	192,930	1,611,756
Project management costs	28,721	-	28,721
Costs of raising funds	39,101	-	39,101
Support costs	129,298	(481)	128,817
	1,615,946	192,449	1,808,395

8. Support costs

	Unrestricted Funds	Restricted Funds	Total Funds 2025
	£	£	£
Governance costs	27,967	-	27,967
Other support costs	188,889	-	188,889
	216,856	-	216,856

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Governance costs	8,822	-	8,822
Other support costs	120,476	(481)	119,995
	129,298	(481)	128,817

The Costa Foundation

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2025

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Grant funding of activities	Support Costs	Total Funds 2025	Total Funds 2024
	£	£	£	£	£
Project Expenditure (note 9)	1,460,559	-	-	1,460,559	1,611,756
Project management costs	17,709	-	-	17,709	28,721
Costs of raising funds	30,351	-	-	30,351	39,101
Other support	-	-	188,889	188,889	119,995
Governance costs	-	-	27,967	27,967	8,822
	1,508,619	-	216,856	1,725,475	1,808,395

10. Project Expenditure

	Unrestricted Funds	Restricted Funds	Total Funds 2025	Total Funds 2024
Included in project expenditure is:	£	£	£	£
Lien Son Nursery School	-	-	-	105,188
Tan Chau Nursery School	-	-	-	106,071
Bridge High school - dormitory	-	-	-	34,777
El Remolino Perimeter Fence	13,669	-	13,669	55,093
Rural Government School - Zapotal Community	-	-	-	100,166
Germán Pomares Ordóñez and Azarías H. Pallais primary school	-	-	-	187,338
Chekata Secondary School	160,414	-	160,414	134,278
Land Expansion at PEAS Bridge	-	-	-	13,437
PEAS Aspire Construction of Sanitary Block with incinerator at PEAS Aspire	-	-	-	19,700
Aspire, 13E3 – Hibiscus, 20E3 – Pioneer	-	-	-	79,785
Building a safe, holistic learning environment – Aspire, Uganda	6,123	-	6123	-
PEAS Noble Construction of Sanitary Block with incinerator at PEAS Noble	-	-	-	19,700
Building a Better Future for Honduras 4	-	-	-	90,000
Rural education and child labour project in the Zapotal Community	21,546	-	21,546	21,546
Monitoring, Evaluation, Reporting, and Learning (MERL) and technical support for Costa Foundation funded Schools in Ethiopia.	-	-	-	10,973

Computer Lab at Arda Qalu school	-	-	-	3,696
Brighter Future - Guatamala	72,000	-	72,000	90,000
Kabuta "Building a Safe, Holistic Learning Environment" Construction of a multi-purpose football pitch at PEAS Kabuta	-	-	-	10,561
Arda Qalu Secondary School Project	-	-	-	128,019
Monitoring & Evaluation for project CF60 Mario	-	-	-	1,829
Teaching at The Right Level (TaRL) for Children in Costa Foundation	42,540	-	42,540	121,571
Cycling for Success Uganda	-	-	-	81,964
La Pet Nursery School	104,945	-	104,945	-
Improvement of rural education in Olopita Community - Guatemala	76,371	-	76,371	-
Konga secondary school - Ethiopia	247,087	-	247,087	-
20/10 Truong nursery - Vietnam	111,809	-	111,809	-
Lemlem Secondary School - Ethiopia	146,088	-	146,088	-
Pioneer science project Uganda	32,285	-	32,285	-
Noble science project	24,792	-	24,792	-
La Paz: 3 school project - Honduras	64,449	7,551	72,000	-
Basura sanitation blocks - Ethiopia	50,590	-	50,590	-
empowerment of 4 communities - Colombia	26,976	-	26,976	-
Growing Futures - Uganda	203,554	-	203,554	-
Frontiers science project Uganda	32,285	-	32,285	-
Repayment of surplus	-	-	-	(3,000)
Committed, not paid:				
La Pet Nursery School	-	-	-	106,462
Aspire, 13E3 – Hibiscus, 20E3 – Pioneer	(10,561)	-	(10,561)	10,561
San Jose de Lourdes	(82,040)	-	(82,040)	82,040
Classrooms for Nuestra Señora del Carmen	108,087	-	108,087	-
	1,453,008	7,551	1,460,559	1,611,756

11. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 2010. Accordingly, there is no taxation charge in these accounts.

12. Net (expenditure)/ income

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

	2025	2024

	£	£
Fees payable for the audit of the financial statements	6,660	7,680

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2025	2024
	£	£
Wages and salaries:	117,536	87,567
Employer national insurance costs	4,954	9,888
Employer contributions to pension plans	3,526	2,627
	126,016	100,082

The average head count of employees during the year was 2 (2024: 2). The average number of full-time equivalent employees during the year is analysed as follows:

	2025	2024
	No.	No.
Number of staff:	2	2

The number of employees whose remuneration for the year fell within the following bands, were:

	2025	2024
	No.	No.
£60,000 to £69,999	0	1
£80,000 to £89,999	1	0

Key Management Personnel:

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £96,412 (2024: £80,374).

14. Trustee remuneration and expenses

No trustee received remuneration in the period to 31 December 2025 (31 December 2024: £NIL). Included in the above is £2,530 of reimbursed expenses to 4 trustees (31 December 2024: £5,277 to 3 trustees). Trustee Indemnity Insurance was also in place during the period.

15. Debtors

	2025	2024
	£	£
Amounts due from Costa Limited	455,010	257,701
Prepayments and accrued income	22,521	15,669
Other debtors	18,512	51,230

	496,043	324,600

16. Creditors: amounts falling due within one year

	2025	2024
	£	£
Project expenditure committed, not paid	108,087	199,064
Other creditors	8,187	11,190
	116,273	210,253

17. Pensions and other post-retirement benefits

Defined contribution plans:

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £3,526 (2024: £2,627).

18. Analysis of charitable funds

	At 1 Jan 2025	Income	Expenditure	At 31 Dec 2025
General funds	1,476,726	2,039,540	(1,717,924)	1,798,342

	At 1 Jan 2024	Income	Expenditure	At 31 Dec 2024
General funds	1,380,312	1,712,360	(1,615,946)	1,476,726

	At 1 Jan 2025	Income	Expenditure	At 31 Dec 2025
Restricted Fund	7,551	50,000	(7,551)	50,000

	At 1 Jan 2024	Income	Expenditure	At 31 Dec 2024
Restricted Fund	-	200,000	(192,449)	7,551

At the start of the year there was £7,551 of restricted funds remaining from the previous year, from a donation received from Costa Coffee. This was used for the second instalment of Project 56PC – Honduras (£7,551) as the funds were restricted to Central America. During the year, the Foundation received £50,000 from Moto Foundation, restricted to UK based projects. This leaves a balance of £50,000 of restricted funds to be carried forward to 2026.

19. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2025

The Costa Foundation

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2025

	£	£	£
Current assets	1,914,616	50,000	1,964,616
Creditors less than 1 year	(116,274)	-	(116,274)
Net assets	1,798,342	50,000	1,848,342

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Current assets	1,686,980	7,551	1,694,531
Creditors less than 1 year	(210,253)	-	(210,253)
Net assets	1,476,726	7,551	1,484,277

20. Analysis of changes in net debt

	At 1 Jan 2025	Cashflows	At 31 Dec 2025
	£	£	£
Cash at bank and in hand	1,369,930	98,643	1,468,573

21. Commitments

The Costa Foundation had commitments of £594,749 (31 December 2024: £563,644) at the year end. These have not been provided for in the financial statements as they are subject to conditions being met before payment.

22. Related parties

All unrestricted income received originated from Costa Limited and their employees, apart from donations received via the Costa and Costa Foundation websites and third parties.

During the year, Costa Foundation Trustee, Nick Orrin was named as directors/officers on Companies House of Costa Ltd, and they were members of the Costa Ltd Executive Team. In addition, Costa Foundation Trustee Cecile Angrand and Hayley Finn were both members of the Costa Ltd Executive Team.

23. Cash at bank and in hand – Flagstone deposit platform

Cash at bank and in hand includes deposits placed via the Flagstone platform. Flagstone operates as an administrative deposit platform and does not itself hold charity funds. Instead, funds are placed on deposit with several authorised UK banks in the name of the Charity. Each deposit is held directly with the underlying bank.

At the balance sheet date, deposits held via the Flagstone platform were distributed as follows:

- HSBC Bank plc – Fixed 3-month deposit: £85,000
- Standard Chartered Bank – Fixed 3-month deposit: £85,000

- Santander International plc – Fixed 3-month deposit: £29,000
- Shawbrook Bank Limited – 95-day notice account: £13,308.48
- Aldermore Bank plc – Fixed 3-month deposit: £65,000
- Aldermore Bank plc – Fixed 3-month deposit: £5,618.60
- Birmingham Bank Limited – 125-day notice account: £86,677.25
- FCMB Bank (UK) Limited – Fixed 3-month deposit: £84,000

All institutions listed above are authorised UK banks

24. Bad debts written off

Bad debts of £15,587 were written off during the year (2024: £nil). These amounts are included within expenditure for the year. Debtors are written off when there is no reasonable expectation of recovery.

25. Reversal of prior year accrual – cancelled project

An accrual of $102,326 (£82,040) recognised in the 2024 financial statements in respect of the second instalment of Project 140 was reversed during the year following the cancellation of the project due to project management issues. The first instalment of $127,908 (£102,550), paid on 20 December 2023, remains recognised as expenditure. Further instalments under the original agreement have been cancelled. Funds unspent from the first instalment and previously allocated to this project are expected to be reallocated to a new project in 2026.

In addition, an accrual of £10,561 recognised in the 2024 financial statements in respect of the second instalment of Project 48E8 was reversed during the year. Of this amount, £6,123 was subsequently paid to the same project partner in respect of a revised scope of work for the project. The remaining balance of £4,438 is no longer considered to represent committed funds and has therefore been released.