Community Foundation North East

(A company limited by guarantee)

Annual report and financial statements for the year ended 31 March 2026

Registered company number 02273708

Registered charity number 700510

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(A company limited by guarantee)

Annual report and financial statements for the year ended 31 March 2026

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Community Foundation North East

Annual report for the year ended 31 March 2026

Introduction

The Board presents its report and audited consolidated financial statements for the year ended 31 March 2026.

Community Foundation North East's charity registration number is 700510 and the limited company number is 02273708. The principal office and registered office is Philanthropy House, Woodbine Road, Gosforth, Newcastle upon Tyne, Tyne & Wear NE3 1DD. The Charity is incorporated in the United Kingdom.

Community Foundation North East comprises four separate organisations whose financial statements and activities are consolidated within the group. They are as follows:

- Community Foundation North East – a limited company and the main operating charity, also incorporating Community First Trust.

- Tyne and Wear Foundation Trust – a charitable trust, which holds donations of permanent endowment to the Community Foundation North East (Group). This has enabled several historic charitable trusts to be transferred to the Group.

- Tyne & Wear Foundation Limited – a trading company whose profits are covenanted to Community Foundation North East. The trading company is mainly used for specific large fundraising events but was inactive during the year.

- Joseph Brough Charitable Trust – an endowed trust making grants in the historic counties of Durham and Northumberland, of which Community Foundation North East is sole trustee.

Community Foundation North East also administers The Fred Clay Trust, which has its own trustees and reports separately to the Charity Commission and its financial information is not included within these financial statements.

Community Foundation North East is a member of UK Community Foundations (UKCF), registered charity number 1004630, which supports and promotes good practice between community foundations in the United Kingdom. Community Foundation North East manages certain funding programmes on contracts from UKCF but is not otherwise subject to any governance arrangements with UKCF.

Annual report for the year ended 31 March 2026 (continued)

Advisers

Independent Auditors

Azets Audit Services
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Main Bankers

Barclays Bank PLC
Newcastle Corporate Services
Barclays House
5 St. Ann's Street
Quayside
Newcastle upon Tyne
NE1 3DX

Investment Managers

Rathbone Investment Management Limited
Earl Grey House
75-85 Grey Street
Newcastle upon Tyne
NE1 6EF

Cazenove Capital
1 London Wall Place
London
EC2Y 3AB

CCLA Investment Management Limited
One Angel Lane
London
EC4R 3AB

Solicitors

Muckle LLP
Time Central
32 Gallowgate
Newcastle upon Tyne
NE1 4BF

Annual report for the year ended 31 March 2026 (continued)

Structure, governance and management

Community Foundation North East is a limited company governed by Memorandum and Articles of Association drawn up in 1988 and amended in 1990, 2000, 2007, 2017, 2018, 2021 and 2025.

The Memorandum and Articles allow for four categories of member as follows:

Category A – voluntary organisations
Category B – individuals
Category C – statutory authorities
Category D – companies/businesses

Members have voting rights at the Annual General Meeting and receive regular information about Community Foundation North East's activities throughout the year. Members may nominate candidates for election to the Board. Each membership category elects two members to the Board except for Category C, where Board members are appointed by mutual consent. The Board may co-opt up to five further members and is required to ensure adequate representation throughout the area of benefit. Board members serve for a three-year term and may be elected/appointed for two further periods of three years each.

There are arrangements for induction, training and support of Board members. Each new Board member is given an induction pack and attends induction sessions with the executive team and meets the Chair. The Nominations Committee reviews skills and experience of the Board members and may arrange training as required. The involvement of Board members is reviewed by the Officers of the Board annually to ensure that skills and time provided by members are used to best effect. Additionally, Board skills are kept under review to inform Board member recruitment, engagement and support. Board members also volunteer their services to assist in Community Foundation North East activities, such as grant panels, donor development and public speaking during the year.

The full Board meets four times a year. An additional meeting is held for reflection and forward planning as required within the strategy period. Within the annual cycle, the Board:

- agrees an operating budget;
- receives quarterly management accounts;
- agrees annual objectives;
- reviews objectives;
- monitors performance within agreed targets;
- considers risks and ways to mitigate them;
- considers strategic issues; and
- receives reports and minutes from all sub-committees listed below.

Annual report for the year ended 31 March 2026 (continued)

Structure, governance and management (continued)

The Board appoints sub-committees and working groups, which are responsible for more detailed oversight of strategy and activities within their area of responsibility. The sub-committees and working groups meeting during the year were:

- Development Advisory Group (DAG)
- Finance and Resources Committee (F&R)
- Investment Committee (Inv)
- Nominations Committee (Nom)
- Strategic Funding Panel (Strat)

Members of the Board who served during the year and up to the date of signing of the financial statements, including committees on which they served during the year, are as follows:

Phil Moorhouse – Chair co-opted October 2021	(F&R, Inv, Nom, DAG, Strat)
Lucy Winskell OBE – Deputy Chair from October 2022 to October 2025 resigned October 2025	(F&R, DAG, Nom)
Paul Farquhar - Treasurer co-opted March 2018	(F&R, Inv)
Jill Baker – Deputy Chair from October 2025 co-opted June 2019	(Nom, Strat)
Michael Brodie CBE co-opted February 2020	(Nom, Inv)
Lucia Bridgeman elected October 2025	(Strat)
Dawn Creighton elected October 2025	(F&R)
Sarah Glendinning co-opted October 2022	(DAG)
Andrew Haigh elected December 2016, resigned October 2025	(Inv)
Colin Hewitt elected October 2021	(F&R)
Claire Malcolm MBE co-opted March 2019	(F&R)
Pam Smith appointed October 2023 to represent statutory authorities	(DAG)
Dr Laura Warwick appointed November 2018	(Nom, Strat)
Stella Simbo elected October 2022, resigned June 2026	(Nom)
Fiona Standfield co-opted October 2022	(Inv)

At the AGM in autumn 2026, Michael Brodie and Pam Smith come to the end of a three-year term and are eligible for re-appointment.

Annual report for the year ended 31 March 2026 (continued)

Structure, governance and management (continued)

The Board also appoints a President, Vice Presidents and Patrons in recognition of their distinguished service to the community or contributions to Community Foundation North East. These are honorary positions with no formal powers or duties. The Board reviewed appointments in July 2025. The current office holders are listed in the yearbook and on Community Foundation North East's website.

The liability of the members for the debts and liabilities of the company is limited and in the event of the company being wound up would not exceed £1 per member.

The Board has a scheme of delegation which details areas where the Board has, in accordance with the Memorandum and Articles of Association, delegated decisions to individual trustees, to sub-committees or task groups or to the executive team. The scheme of delegation also covers those matters always reserved for the full membership and the full Board. The delegated areas are segmented into the following categories: governance, audit and risk, operations and finance, investment, and philanthropy and funding.

At the year end the executive team members responsible for day-to-day management of the Charity, as delegated by the Board were:

Rob Williamson OBE	Chief Executive Officer
Sonia Waugh	Chief Finance and Operating Officer
John Hollingsworth	Chief Philanthropy and Development Officer
Adam Lopardo	Chief Funding and Partnerships Officer

At the year-end there was a total of 25 staff (full time equivalent 22.9).

The Board has a remuneration policy which covers the arrangements for setting salaries throughout the organisation including those staff responsible for day-to-day management. Community Foundation North East has its own salary scale with grades intended to be broadly compatible with charities of a similar size in the north of England, and those with similar functions across the UK. Because of its leading position in the charity sector, Community Foundation North East's executive staff must have significant expertise so it must be able to draw from the best talent in a competitive market. Executive staff roles are therefore ungraded which allows the Board to be more flexible in setting pay when recruiting and reviewing performance. All salaries are reviewed annually by a sub-committee of the Board with any recommendations for pay increases presented to the full Board for approval when it agrees the annual budget. The sub-committee takes account of cost-of-living rises and inflation, external benchmarking data, and staff performance and contributions to the organisation's work. The Board sub-committee reviews the Chief Executive's salary and other benefits without him present, taking account of factors relating to performance, benchmarking and internal salary differentials.

Annual report for the year ended 31 March 2026 (continued)

Objectives and activities

Community Foundation North East's objects are for the benefit of the public generally, in particular, but not exclusively, in the area of Tyne and Wear and Northumberland: to promote and support the prevention or relief of poverty or disadvantage; to preserve and protect health; to advance the education of the public; for the general purposes of such charitable bodies or for such other exclusively charitable purposes in each case as the Directors may from time to time decide. Community Foundation North East's operational mission is to build a thriving, generous and inclusive North East today, and for generations to come by inspiring philanthropy, investing in communities and influencing change. The strategic focus is on five impact areas: tackle poverty, widen access to opportunity, improve health and community safety, strengthen culture and community life, and sustain the environment.

Community Foundation North East is a generalist grant-maker to a wide range of community groups. Some funds have more restricted purposes – for example The Pea Green Boat Community First Fund makes grants to organisations to support mental health and wellbeing of infants and young children and refugees & asylum seekers. Community Foundation North East accommodates donors' wishes in respect of grant awards wherever possible. The Board has agreed certain exclusions for grants with its general funds and these are detailed in grant application materials available on request. The predominant activity is grant-making, but Community Foundation North East also devotes resources to non-financial sector support, research, development and donor education which aim to increase local philanthropy.

Public benefit

The Community Foundation North East exists and operates for the public benefit. Through its grant-making it works to improve the community, in particular, but not exclusively, in Tyne & Wear and Northumberland. The Trustees confirm that they have referred to the guidance produced by the Charity Commission on public benefit when reviewing the Charity's aims and objectives and in planning future activities and grant-making and are satisfied that it meets the requirements.

Plans for future periods

Plans for future periods are detailed on page 9 of this report.

Strategic report

Achievements and performance

The Board agreed a new strategy in 2025 setting out our vision for a North East where everyone can be part of thriving, generous and inclusive communities. To achieve our mission and address our five impact areas, the strategy has three pillars and a set of enablers with associated key performance indicators. 2025-26 was the first year of the strategy. More detailed descriptions of activities and their impact are included in Community Foundation North East's yearbook.

Annual report for the year ended 31 March 2026 (continued)

Strategic report (continued)

Achievements and performance (continued)

Inspire Philanthropy

- £5m in endowment gifts and £1.8m in philanthropic revenue gifts were received.
- 8 new funds were established.
- Advanced diaspora giving through North East Roots Homecoming and ambassador programme
- Completed transfer of RW Mann Trust

Invest in Communities

- 1,169 grants (2025: 1,224) totalling £9.23m (2025: £8.93m) were awarded, moving towards the target to grow annual grant-making to £10m by 2030. The average grant was £7,600. In total 589 organisations and 47 individuals were supported. The table below shows the breakdown by fund type.

Fund type	No of grants	Total awards
Individual and family funds	395	2,021,470
Corporate funds	171	796,256
Charity and trust funds	210	1,459,271
Collective funds	185	417,801
Projects and partnership funds	190	3,591,018
Agency funds (benefiting a named organisation)	18	945,766
Total grants awarded by the full Group	**1,169**	**9,231,582**

- Levered third-party programmes worth £4.3m including partnerships with the North East Mayoral Strategic Authority, Newcastle and Gateshead Councils and the Office of the Northumbria Police and Crime Commissioner.
- Minimum target of 10% met for 4 out of 5 of our impact areas, sustain our environment funding being the only one to not meet the target.
- Awarded over £600,000 over three years in the first two rounds of a pilot unrestricted funding programme.
- 103 organisations benefited from trustee- and skills-matching, training and pro-bono consultancy.

Influence change

- Published an update to our Vital Signs report on the area's challenges and opportunities.
- Published data from Third Sector Trends 2025
- Engaged in the North East Anti-Racism Coalition and signed its 'Become the Bridge' pledge.

Enablers (governance, people, finance, operations, communications)

- Adopted AI policy
- Reported strong progress towards our net zero goals for our investments
- Launched a new name and refreshed brand
- Successfully recruited to trustee and staff vacancies

Annual report for the year ended 31 March 2026 (continued)

Strategic report (continued)

Fundraising

The Community Foundation North East is registered with the Fundraising Regulator which is the independent regulator of charitable fundraising. The approach we take to fundraising in the organisation meets the requirements of the Charity Commission, Fundraising Regulator and Information Commissioner's Office. Almost all income generation activity is done by Foundation staff directly or on our behalf through introductions made by ambassadors and professional advisors. We also connect to potential donors and partners through networking and by raising our profile through communications. When and if we enter into commercial participation arrangements, we have formal agreements in place that deal with risks to the Foundation and ensure transparency. We do not:

- use direct marketing, telephone, doorstep or on-street fundraising;
- employ for-profit agencies to raise income on our behalf; or
- share information about donors or supporters without their express permission.

Some fundraising will continue to be done for the Foundation by third parties, for example with our High Sheriff funds, or funds where a donor wishes to raise money from friends or family in memory of a loved one, or to support a particular cause. We have developed guidelines for those undertaking such activities to ensure we, and they, are compliant.

Community Foundation North East maintains records of all complaints received and reports this information annually to the Fundraising Regulator if requested. During the year no complaints on fundraising activities were received.

Social investments (previously shown as programme related investments)

Northern Rock Foundation (NRF) was involved in the set up of the North East Social Investment Fund (NESIF) and made loan commitments for 20 years to the primary vehicle – the North East Social Investment Community Interest Company (NESIC). As part of the winding up of NRF, its Board agreed to transfer the Loan Fund of £3m to Community Foundation North East to ensure continuity of the programme, with both sides signing the novation of the Loan Fund on 12 April 2016. The full value of the novation of £3m was recognised within donations to restricted funds at the time of the novation. The initial loan period has come to an end and the fund is now in the final 10 year repayment period.

Financial review

Net assets at 31 March 2026 were £109.36m (2025: £103.60m). £101.88m of the assets related to endowment funds (2025: £97.19m). The total unrealised and realised gains on investments amounted to £3.53m (2025: losses £0.76m). There were new donations to the endowment funds during the year of £4.96m (2025: £4.44m), and fees and transfers out of endowment of £3.84m (2025: £2.39m). The expendable endowment (charity only) is treated by the Trustees as long-term capital to provide income for future grant-making. Further details of performance of subsidiary undertakings are detailed in note 21. The investments were managed throughout the year by Cazenove Capital, Rathbone Investment Management and CCLA Investment Management to achieve maximum total returns and provide an agreed amount annually for grant-making. CCLA Investment Management also manages funds donated to the Community First Trust as required by the match funding agreement. There is separate provision for donors who wish to invest ethically.

Annual report for the year ended 31 March 2026 (continued)

Strategic report (continued)

Financial review (continued)

The Investment Committee monitors the managers' performance in relation to benchmarks and other relevant indices at its quarterly meetings and meets with each of the managers at least annually, more frequently with Rathbone Investment Management and Cazenove Capital.

Clear guidelines have been agreed in relation to investment strategy and these are reviewed by the Investment Committee. On the full year's performance, the main fund delivered a total return average estimate of 7.99% (net of fees) which is behind the target return of 6% plus CPI (9.3%). The Board were content with performance on the funds in light of the difficult financial market conditions during the year.

Total income and endowment for the year totalled £13.53m (2025: £11.81m). The main sources of income were new donations and investment income. The main resources expended were for charitable grants of £9.11m net (2025: £8.82m net).

Financial review - reserves

The Statement of Financial Activities shows the movement in the year of Community Foundation North East's (Group) Unrestricted and Restricted Funds. The year-end balances on the Restricted Funds are available in their entirety, less the property, Philanthropy House, for future grant-making and other direct charitable expenditure. The Unrestricted Funds balance at 31 March 2026 of £3,145,319 includes £2,275,692 set aside for designated funds which are solely for future grant-making, and the balance of £869,627 (the Administrative fund) less fixed assets of £74,648, £794,979 is the general reserve available to meet future administration and development expenditure. The Board reviewed its reserve levels in March 2026 and transferred £300,000 to the operating endowment and designated £137,000 of the general reserves to support running costs during the 2026-27 financial year. The Board sets a maximum level of reserves to allow Community Foundation North East to operate for up to 12 months if income streams were significantly impacted by market conditions and a minimum level based on the same scenario but adjusting some costs during the 12 months and reviews its policy annually. The general reserve, after adjusting for designated costs, amounted to £657,979 which is within the range calculated, minimum level of £443,000 and the maximum £916,000. The Board is confident that reserves and the overall assets of the Community Foundation North East are sufficient to continue as a going concern.

Plans for future periods

In March 2025 the Board agreed a new strategy which sets out our vision for a North East where everyone can be part of thriving, generous and inclusive communities. The strategy describes how we will use our resources towards our mission, based on evidence, experience and listening to communities. It is, subject to review each year, designed to take us up to at least 2028 when we will mark our 40th anniversary.

To achieve our mission and address our five impact areas, the strategy has three pillars and a set of enablers with associated key performance indicators (KPIs).

Annual report for the year ended 31 March 2026 (continued)

Strategic report (continued)

Plans for future periods (continued)

Inspire philanthropy: we will be the North East's go-to place for philanthropy, engaging more people and business in giving money, time and expertise, and using our knowledge to ensure current and future donors have the most impact.

- Be on track to add at least £10m in new gifts to endowment by 2030.
- Secure at least £1.5m through annual donor revenue funds
- Average 70% of annual grant-making from philanthropic endowment and revenue funds (excluding third-party programmes)

Invest in communities: we will harness more funding and support to have a long-term impact on the challenges facing our region's communities.

- Grow annual grant-making to £10m by 2030
- Lever third-party programmes worth at least £3m annually
- 10% minimum funding annually to support each impact area
- Grow core/unrestricted support to 65% of total awarded annually

Influence change: we will shine a light on our region's challenges and use our knowledge and networks to champion actions which better address them.

- 80% of donors, partners and grantees reporting that our policy and research initiatives are important.

Enablers: governance, people, operations, finance and communications.

- 90% satisfaction rate among donors, grantees, staff and trustees
- 6% total return on investments plus CPI inflation averaged over 5 years
- Break-even operating budgets annually factoring in designated reserves

Key priorities for 2026-27 are as follows.

- Develop our North East Roots and ambassador programme
- Continue growing our Giving Network and NE Women and Girls funds
- Promote environmental funding and philanthropy
- Complete our unrestricted funding pilot engaging the Institute for Voluntary Action Research (IVAR) around learning and begin testing approaches with donor-advised funds
- Repeat our independent grantee survey
- Develop team areas of special knowledge and interest
- Review our data collection and coding around beneficiaries of grantees' work
- Continue to engage with the North East Mayoral Strategic Authority and in regional affairs
- Disseminate regional Third Sector Trends findings
- Review auditors and performance of investment managers
- Consider development of AI tools to integrate with our Salesforce grants/CRM platform

Annual report for the year ended 31 March 2026 (continued)

Strategic report (continued)

Principal risks and uncertainties

The Board receives an annual assessment of risk prepared by the executive team and agrees steps to manage risk. In December 2025 the Board reviewed its risk policy for determining, managing and reviewing the risks to which Community Foundation North East is exposed measured against risk appetite. The Board has committed to continue to review the risk policy every three years. The risk register is reviewed quarterly by the Finance and Resources Committee, and any significant changes reported to the Board. At least annually, the Board receives a report on risk and approves an updated risk register.

The highest net risks identified in the most recent register dated May 2026 were:

- Cyber and data security
- Asset value
- Policy context

The Board reviews controls already in place for mitigating risks and identifies further treatment or monitoring required to manage the identified risks. The first risk is in recognition of the increased risk of cyber incidents faced by all organisations, both in the number and the sophistication of attacks. Community Foundation North East regularly reviews its protection and other systems and has vulnerability tests carried out to help mitigate this risk. It has maintained Cyber Essentials+ accreditation. Systems are backed up regularly and it has introduced further protective controls during the year. The second risk noted above is linked to the performance of Community Foundation North East's endowment funds. The Investment Committee meets regularly with the investment managers to discuss and review performance of the funds, which are invested in line with Community Foundation North East's Investment Policy. The Board will carry out a more in-depth review of investment manager performance in 2026-2027. The third risk relates to uncertainties arising from policy and political changes both regionally and nationally. Community Foundation North East engages in relevant networks/forums and develops relationships with senior leaders in the public sector. Although Community Foundation North East cannot control the external context, it remains adaptable to change.

Statement of trustees' responsibilities

The trustees (who are also directors of Community Foundation North East for the purposes of company law) are responsible for preparing the Trustees' Annual Report, the Strategic 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;

Annual report for the year ended 31 March 2026 (continued)

Strategic report (continued)

Statement of trustees' responsibilities (continued)

- state whether applicable UK Accounting Standards comprising FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of 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.

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving the annual report:

- there is no relevant audit information of which the group's auditors are unaware; and
- the trustees have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Independent Auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditor of the charity is to be proposed at the forthcoming Annual General Meeting.

The Report of the Trustees and the Strategic Report were approved by the Board of Trustees.

By Order of the Board

Phil Moorhouse
Chair

22 September 2026

Independent Auditor's Report to the Members of Community Foundation North East

We have audited the financial statements of Community Foundation North East (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2026, which comprise the Consolidated Statement of Financial Activities, Consolidated Income and Expenditure Account, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally* Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2026 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 trustee's 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 the events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issues.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Independent Auditor's Report to the Members of Community Foundation North East (continued)

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.

Opinion 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' Report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and

- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent charitable company financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of trustees' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully set out on pages 11 and 12, the trustees (who are also the directors of the parent 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Community Foundation North East (continued)

Auditor's 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 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.

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 Auditor's Report.

Extent to which the audit was considered capable of detecting irregularities, including fraud.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk and irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiries with management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: compliance with the UK Companies Act and the Charities Act.

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 .The 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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report to the Members of Community Foundation North East (continued)

Use of report

This report is made solely to the charitable parent company's trustees, 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 group's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Simon Brown BA ACA DChA (Senior Statutory Auditor)

For and on behalf of Azets Audit Services
Chartered Accountants and Statutory Auditor

Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 5-12-2022

Azets Audit Services is s trading name of Azets Audit Services Limited

Community Foundation North East

Consolidated statement of financial activities for the year ended 31 March 2026

	Note	Unrestricted funds	Restricted funds	Endowment funds	**Total 2026**	Total 2025
		£	£	£	**£**	£
Income and endowments from:						
Donations and legacies	**3**	425,148	5,706,115	4,958,704	**11,089,967**	**9,393,004**
Charitable activities	**4**	152,981	-	-	**152,981**	**62,554**
Other trading activities	**5**	6,500	26,250	-	**32,750**	**31,000**
Investment income	**6**	1,259,148	997,964	-	**2,257,112**	**2,325,794**
Total income and endowments		1,843,777	6,730,329	4,958,704	**13,532,810**	**11,812,352**
Expenditure on:						
Raising funds	**8**	398,878	-	-	**398,878**	343,457
Investment management costs		-	-	340,870	**340,870**	319,403
Charitable activities	**9**	2,925,791	7,635,245	-	**10,561,036**	9,989,487
Total expenditure		3,324,669	7,635,245	340,870	**11,300,784**	10,652,347
Net (losses)/gains on investments		-	(41,811)	3,575,063	**3,533,252**	(760,743)
Net (loss)/income		(1,480,892)	(946,727)	8,192,897	**5,765,278**	399,262
Transfers between funds		2,012,148	1,489,457	(3,501,605)	**-**	-
Net movement in funds		531,256	542,730	4,691,292	**5,765,278**	399,262
Reconciliation of funds:						
Total funds brought forward		2,614,063	3,795,812	97,186,553	**103,596,428**	103,197,166
Total funds carried forward		3,145,319	4,338,542	101,877,845	**109,361,706**	103,596,428

All of the above results are derived from continuing operations. All gains and losses which were incurred in the current year and prior year are included above. The comparative figures for each category of funds are shown in the notes to the accounts (note 2).

Community Foundation North East

Consolidated income and expenditure account for the year ended 31 March 2026

	Note	2026	2025
		£	£
Income - continuing operations			
Donations and legacies		**6,131,263**	4,951,057
Charitable activities	**4**	**152,981**	62,554
Other trading activities	**5**	**32,750**	31,000
Investment income	**6**	**2,257,112**	2,325,794
		8,574,106	7,370,405
Expenditure - continuing operations			
Grants	**9**	**9,113,245**	8,816,944
Staff costs	**10**	**1,230,320**	1,121,564
Other costs		**616,349**	394,436
		10,959,914	10,332,944
Net loss on investments		**(41,811)**	(49,000)
Net loss for the year before transfers and taxation		**(2,427,619)**	(3,011,539)
Transfer from endowment fund		**3,501,605**	2,067,711
Taxation	**15**	**-**	-
Net surplus/(deficit) for the year		**1,073,986**	(943,828)

The total income of £8,574,106 comprises £1,843,777 for unrestricted funds and £6,730,329 for restricted funds as shown in the statement of financial activities. The total expenditure of £10,959,914 comprises £3,324,669 for unrestricted funds and £7,635,245 for restricted funds as shown in the statement of financial activities.

Balance sheets as at 31 March 2026

Registered company number 02273708

	Note	**Group 2026 £**	Group 2025 £	**Charity 2026 £**	Charity 2025 £
Fixed assets					
Endowment fund investments	**11**	**101,805,029**	96,125,181	**98,954,075**	92,993,304
Social and other investments	**11**	**769,000**	1,016,904	**769,100**	1,017,004
Tangible assets	**12**	**655,898**	665,341	**655,898**	665,341
Total fixed assets		**103,229,927**	97,807,426	**100,379,073**	94,675,649
Current assets					
Debtors	**13**	**132,885**	1,778,952	**108,034**	1,755,723
Cash on short-term deposit		**4,160,072**	4,613,936	**4,160,072**	4,613,936
Cash at bank and in hand		**4,007,100**	1,863,546	**3,915,054**	1,760,768
Total current assets		**8,300,057**	8,256,434	**8,183,160**	8,130,427
Creditors: amounts falling due within one year	**14**	**(2,168,278)**	(2,467,432)	**(2,168,278)**	(2,460,432)
Net current assets less current liabilities		**6,131,779**	5,789,002	**6,014,882**	5,669,995
Net assets		**109,361,706**	103,596,428	**106,393,955**	100,345,644
The funds of the charity:					
Endowment funds	**16**	**101,877,845**	97,186,553	**99,026,891**	94,054,676
Restricted income funds	**17**	**4,338,542**	3,795,812	**4,221,745**	3,676,905
Unrestricted income funds	**18**	**3,145,319**	2,614,063	**3,145,319**	2,614,063
Total charity funds		**109,361,706**	103,596,428	**106,393,955**	100,345,644

The financial statements on pages 17 to 50 were approved by the Board on 22 September 2026 and were signed on their behalf by:

Phil Moorhouse
Chair

Paul Farquhar
Treasurer

Community Foundation North East

Consolidated cash flow statement for the year ended 31 March 2026

	Note	2026 £	2025 £
Cash flows from operating activities:			
Net cash used in operating activities	**23**	**(3,608,316)**	(6,272,476)
Cash flows from investing activities:			
Dividends and interest from investments		**2,257,112**	2,325,794
Purchase of fixed assets		**(19,118)**	(56,076)
Proceeds from the sale of investments		**29,783,735**	20,975,464
Purchase of investments		**(31,888,520)**	(22,975,526)
Social investment repayments		**206,093**	-
Social investments drawn down		**-**	(126,548)
Net cash provided by investing activities		**339,302**	143,108
Cash flows from financing activities:			
Receipt of endowment		**4,958,704**	4,441,947
Net cash provided by financing activities		**4,958,704**	4,441,947
Change in cash and cash equivalents in the year		**1,689,690**	(1,687,421)
Cash and cash equivalents at the beginning of the year	**23**	**6,477,482**	8,164,903
Cash and cash equivalents at the end of the year	**23**	**8,167,172**	6,477,482

Notes to the financial statements for the year ended 31 March 2026

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of listed investments and freehold investment property. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and the Charities Act 2011.

Community Foundation North East meets the definition of a public benefit entity under FRS 102. The directors consider that there are no material uncertainties about the group's ability to continue as a going concern.

The financial statements consolidate the results of the Charity and its wholly-owned subsidiaries, Joseph Brough Charitable Trust, Tyne & Wear Foundation Limited and Tyne and Wear Foundation Trust, on a line by line basis using consistently applied accounting policies.

No separate Statement of Financial Activities (SOFA) has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

b) Going concern

The trustees have prepared budgets and forecasts which give them adequate comfort that the charitable company and group entities are a going concern. Therefore, the trustees are of the view that the charitable company and group have sufficient resources for at least the next 12 months from the date of approving the financial statements. As a result, the charitable company and group's financial statements have been prepared on a going concern basis.

c) Incoming resources

Income is recognised in the period in which it is receivable unless the Charity has to fulfil conditions before becoming entitled to it or if the donor has specified that the income is to be expended in a future period, in which case it is deferred. Donations are accounted for in the period in which they are received or receipt is probable and the charity is entitled to the donation at that point in time. All donations are derived from the UK. Investment income is recognised on an accruals basis. Grants from the Government and other agencies have been included as income from charitable activities where these amount to a contract for services.

Legacy entitlement is taken as the earlier of the date on which either the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors to the Charity that a distribution will be made, or when a distribution is actually received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution.

Notes to the financial statements for the year ended 31 March 2026 (continued)

1 Accounting policies (continued)

d) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Costs relating to raising funds and charitable activities have been allocated direct to those cost headings and support costs (including governance costs) have been apportioned on the basis of staff time spent on each area.

e) Grant commitments

Grants payable are charged in the year when the offer is approved and conveyed to the recipient. Cancelled grants are re-credited at the point the decision is made not to pay out the grant or when a refund has been received.

f) Fund accounting

Funds held by the Charity are as follows:

Unrestricted general funds: these are funds which can be used in accordance with the charitable objects at the discretion of the Directors.

Unrestricted designated funds: these are funds which the Directors regard as unrestricted because they are used for general charitable grant-making purposes in Community Foundation North East's area of benefit although grants may still be made on recommendations from the donor.

Restricted funds: these are funds that can only be used for particular restricted purposes within the objects of the Charity.

Endowment funds are invested and the income from these funds is applied to the relevant restricted or unrestricted income funds.

Investment income is allocated to the income funds on a "total return" basis for the Charity. Withdrawals from the endowment fund have been made at a rate of 6%, which the Directors review annually and consider to be a reasonable total return withdrawal rate. A total of £3,783,820 (2025: £3,294,291) in excess of investment income, was transferred from the main, ethical and Community First endowment funds to restricted (£1,756,725) and unrestricted (£2,027,095) funds in the year.

g) Listed and unlisted investments

Listed investments are stated at their quoted market value at the year end. Unlisted investments are quoted at cost. Freehold investment property is stated at the fair value estimate as valued by property consultants in March 2026 and the Directors consider the valuations to be reasonable.

The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Realised gains and losses for the year are calculated based on market value brought forward plus any additions in the year. No depreciation is charged on investment properties.

Notes to the financial statements for the year ended 31 March 2026 (continued)

1 Accounting policies (continued)

g) Listed and unlisted investments (continued)

Property Valuations

Properties held within Investments are held at an assessed valuation by a surveyor and are formally valued every year.

Investments are held at valuations provided by the investment manager, whereas listed investments are held at a closing value indicated by the stock exchange.

h) Social Investments

Social investments consist entirely of loans made to North East Social Investment Community Interest Company (NESIC). As part of the winding up of Northern Rock Foundation (NRF) its Board agreed to transfer the Loan Fund of £3m to Community Foundation North East with both sides signing the novation of the Loan Fund on 12 April 2016. At the transfer date £265,814 had been advanced to NESIC and since the transfer, another £1,475,090 was advanced up to the end of the loan period (December 2024). NESIC used these loans to invest directly into The North East Social Investment Fund (NESIF). The total advanced of £1,740,904 is shown as a social investment.

The investments are recorded at cost less any diminution in value. The Board has reviewed the recoverability of the loan and in order to be prudent, have decided to provide for diminution in value of the investment based on the share of the most recent overall fund balance sheet deficit plus amber (at risk) loans not already provided for. The Board will continue to review recoverability and valuation on an annual basis. At the year end a total provision of £765,811 has been provided against the recoverability of the Social Investment.

The loan agreement allowed for drawdown by NESIC of the funds for a period of 10 years from the original agreement date of 10 December 2014. No repayments were received during the 10-year loan fund period. The investment is now in its 10 year repayment period and £206,093 was received as repayments during the year.

Notes to the financial statements for the year ended 31 March 2026 (continued)

1 Accounting policies (continued)

i) Tangible fixed assets and depreciation

Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives on a straight line basis, at the following rates:

Land and buildings	-	Over 50 years
Furniture and equipment	-	20% and 25% per annum
Office improvements	-	Over 10 years

j) Pensions

The Community Foundation North East makes contributions on behalf of all staff into a defined contribution group pension scheme. Contributions are charged in the period to which they relate.

k) Liquid resources

Liquid resources for cash flow purposes consist of cash held at banks in current and short-term deposit accounts.

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and in hand and cash on short-term deposit includes cash and short term highly liquid investments with a short maturity of twelve months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. This includes grants payable when the offer is approved and conveyed to the recipient. Creditors and provisions are normally recognised at their settlement amount.

Notes to the financial statements for the year ended 31 March 2026 (continued)

1 Accounting policies (continued)

o) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Any key judgements have been detailed in the separate accounting policies applied, including notably:

- Social Investments – the Board amortise the asset balance at each year end based on their view of the recoverability of the asset. This is an estimation technique applied each year, based on unobservable factors, which results in the asset being adjusted, normally with a charge being made to the SOFA, and the Restricted Reserve balance, held in respect of the Social Investment fund, being reduced.

Notes to the financial statements for the year ended 31 March 2026 (continued)

2 Statement of Financial Activities prior year fund comparatives

	Unrestricted funds	Restricted funds	Endowment funds	**Total 2025**
	£	£	£	**£**
Income and endowments from:				
Donations and legacies	487,682	4,463,375	4,441,947	**9,393,004**
Charitable activities	62,554	-	-	**62,554**
Other trading activities	29,000	2,000	-	**31,000**
Investment income	1,295,057	1,030,737	-	**2,325,794**
Total income and endowments	1,874,293	5,496,112	4,441,947	**11,812,352**
Expenditure on:				
Raising funds	343,457	-	-	343,457
Investment management costs	-	-	319,403	319,403
Charitable activities	3,223,308	6,766,179	-	9,989,487
Total expenditure	3,566,765	6,766,179	319,403	10,652,347
Net (losses)/gain on investments	-	(49,000)	(711,743)	**(760,743)**
Net income/(loss)	(1,692,472)	(1,319,067)	3,410,801	**399,262**
Transfers between funds	1,771,245	296,466	(2,067,711)	-
Net movement in funds	78,773	(1,022,601)	1,343,090	**399,262**
Reconciliation of funds:				
Total funds brought forward	2,535,290	4,818,413	95,843,463	**103,197,166**
Total funds carried forward	2,614,063	3,795,812	97,186,553	**103,596,428**

Notes to the financial statements for the year ended 31 March 2026 (continued)

3 Donations and legacies

	2026	2025
	£	£
Donations	**10,687,580**	6,644,791
Legacies	**402,387**	2,748,213
	11,089,967	9,393,004

4 Charitable activities

	2026	2025
	£	£
Other charitable activities	**152,981**	62,554

5 Other trading activities

	2026	2025
	£	£
Other trading activities	**32,750**	31,000

6 Investment income

	2026	2025
	£	£
Dividends and interest from endowment fund assets	**2,037,442**	2,034,125
Interest receivable on cash deposits	**219,670**	291,669
	2,257,112	2,325,794

Notes to the financial statements for the year ended 31 March 2026 (continued)

7 Allocation of support costs, overheads and governance

Support costs and overheads have been apportioned using the basis of staff time spent on the various activities.

	Raising funds	Charitable activities	**Total**	Total
			2026	2025
	£	£	**£**	£
Support staff costs	50,204	213,003	**263,207**	213,587
Governance staff costs	11,849	50,270	**62,119**	60,058
Overhead costs	73,660	212,783	**286,443**	247,481
Governance direct costs	8,618	28,852	**37,470**	36,660
	144,331	504,908	**649,239**	557,786

Included in overhead costs are the following:	**2026**	2025
	£	£
Auditors' remuneration – audit services	**18,000**	16,740
Depreciation	**28,561**	25,771

8 Costs of raising funds

	2026	2025
	£	£
Staff costs	**223,898**	197,417
Direct costs	**30,649**	36,502
Support costs (Note 7)	**144,331**	109,538
	398,878	343,457

Notes to the financial statements for the year ended 31 March 2026 (continued)

9 Charitable activities

The Community Foundation North East undertakes its charitable activities through grant-making.

	2026	2025
	£	£
Grants payable	**9,113,245**	8,816,944
Staff costs	**681,097**	650,502
Direct costs	**261,786**	73,793
Support costs (Note 7)	**504,908**	448,248
	10,561,036	9,989,487

Grants were awarded in the year to other charities, voluntary organisations and individuals as follows:

	2026	**2026**	2025	2025
	£	**Number**	£	Number
Other charities and voluntary organisations	**9,197,812**	**1,122**	8,876,880	1,167
Individuals	**33,770**	**47**	51,936	57
Total new grants awarded in the year	**9,231,582**	**1,169**	8,928,816	1,224
Grants cancelled	**(118,337)**		(111,872)	
Total grant expenditure	**9,113,245**		8,816,944	

A breakdown of grants awarded is shown on page 7. A full listing of grants awarded in the financial year can be found on our website www.communityfoundation.org.uk.

Notes to the financial statements for the year ended 31 March 2026 (continued)

10 Staff costs

Staff costs comprise the following:	**2026**	2025
	£	£
Wages and salaries	**1,040,546**	963,996
Social security costs	**126,732**	98,239
Other pension costs	**63,042**	59,329
	1,230,320	1,121,564

The average number of employees, excluding Trustees/Board Directors, employed by the Group during the year was 25.2 (2025: 24), full time equivalent 23 (2025: 21.7). The ratio of the highest salary to the median salary was 2.37:1 (2025: 2.32:1). The gross salary in the year relating to the executive members of staff responsible for the day-to-day management of the Charity was £312,924 (2025: £301,300) plus £20,213 (2025: £19,473) paid in employer pension contributions.

Community Foundation North East is not required to report on gender pay gap as it is below the threshold for reporting. However, the Board has carried out a review of gender pay in line with the legislation and has set out some of the information for 5 April 2025 and 5 April 2026 below:

	5 April 2026	5 April 2025
Mean gender pay gap	**23%**	22%
Median gender pay gap	**13%**	20%

None of the Trustees/Board Directors received any remuneration during the year (2025: Nil). Two of the Directors received reimbursements for expenses during the year of £335 in total (2025: £387).

During the year employees with emoluments over £60,000 were in the following bands:	**2026**	2025
	Number	Number
£60,000 to £70,000	**1**	2
£70,000 to £80,000	**2**	1
£90,000 to £100,000	**1**	1

Notes to the financial statements for the year ended 31 March 2026 (continued)

11 Investments

Endowment fund investments - Group

At valuation	Listed investments £	Deposit & other cash balances £	Freehold property £	Total £
At 1 April 2025	90,430,977	5,094,204	600,000	**96,125,181**
Additions/movement in the year	32,379,995	(491,475)	-	**31,888,520**
Disposals in the year	(29,783,735)	-	-	**(29,783,735)**
Realised gains in the year	14,393	-	-	**14,393**
Unrealised gains in the year	3,535,670	-	25,000	**3,560,670**
At 31 March 2026	**96,577,300**	**4,602,729**	**625,000**	**101,805,029**
At cost				
At 31 March 2026	**87,649,991**	**4,602,729**	**154,000**	**92,406,720**
At 31 March 2025	81,287,409	5,094,204	154,000	86,535,613

Listed investments are detailed as follows:	2026 Market Value £	2025 Market Value £
UK Fixed Interest	**5,364,346**	4,391,725
UK Equities	**11,565,876**	10,381,696
Property	**1,729,436**	1,474,333
Overseas Fixed Interest	**2,567,065**	3,182,944
Overseas Equities	**55,741,394**	47,369,751
Collective Investment Schemes	**13,451,524**	18,906,622
Other	**6,157,659**	4,723,906
	96,577,300	90,430,977

Notes to the financial statements for the year ended 31 March 2026 (continued)

11 Investments (continued)

Social Investments – Charity and Group

	Total
	£
Loaned amounts	
At 1 April 2025	1,740,904
Advances during the year	-
Repayments	206,093
At 31 March 2026	**1,534,811**
Provisions	
At 1 April 2025	724,000
Provided against during the year	41,811
Provision released during the year	-
At 31 March 2026	**765,811**
Net loaned amounts	
At 31 March 2026	**769,000**
At 31 March 2025	1,016,904

Endowment fund investments - Charity

At valuation	Listed investments £	Deposit & other cash balances £	Freehold property £	Total £
At 1 April 2025	87,299,100	5,094,204	600,000	**92,993,304**
Additions/movement in the year	32,379,995	(491,475)	-	**31,888,520**
Disposals in the year	(29,783,735)	-	-	**(29,783,735)**
Realised gains in the year	14,393	-	-	**14,393**
Unrealised gains in the year	3,816,593	-	25,000	**3,841,593**
At 31 March 2026	**93,726,346**	**4,602,729**	**625,000**	**98,954,075**
At cost				
At 31 March 2026	**84,900,274**	**4,602,729**	**154,000**	**89,657,003**
At 31 March 2025	78,537,692	5,094,204	154,000	83,785,896

Notes to the financial statements for the year ended 31 March 2026 (continued)

11 Investments (continued)

Endowment fund investments – Charity (continued)

Listed investments are detailed as follows:	**2026 Market Value £**	2025 Market Value £
UK Fixed Interest	**5,364,346**	4,391,725
UK Equities	**11,565,876**	10,381,696
Property	**1,729,436**	1,474,333
Overseas Fixed Interest	**2,567,065**	3,182,944
Overseas Equities	**55,741,394**	47,369,751
Collective Investment Schemes	**10,600,570**	15,774,745
Other	**6,157,659**	4,723,906
	93,726,346	87,299,100

Other investments – Charity

At cost and valuation	Unlisted investments £
At 1 April 2025	**100**
At 31 March 2026	**100**

Unlisted investments held by the charity relate to a £100 (2025: £100) investment in the subsidiary company Tyne & Wear Foundation Limited at cost. At 31 March 2026 the charity owned all of the ordinary share capital, consisting of 100 ordinary shares, of Tyne & Wear Foundation Limited, a company registered in England and Wales which raises funds through fundraising events.

The total funds made available to be drawn down by NESIC were £3,000,000 for a period of 10 years to December 2024. At the year end the restricted reserve balance was £769,000 (note 17) (2025: £1,016,904) which is the total amount of funds advanced of £1,740,904 less repayments in the year and the aggregate amortisation to date charged against the restricted fund.

Realised gains and losses are calculated based on the market value brought forward plus any additions in the year. Total net realised gains calculated using historical cost was £3,563,177 for the full group (2025: £1,798,707). No single investment accounts for more than 5% of the endowment fund investments.

Notes to the financial statements for the year ended 31 March 2026 (continued)

12 Tangible fixed assets

Group and Charity

	Land & Buildings £	Furniture & equipment £	Office improve-ments	Total £
Cost				
At 1 April 2025	750,000	83,982	96,611	930,593
Additions	-	4,816	14,302	19,118
Disposals	-	(1,594)	-	(1,594)
At 31 March 2026	**750,000**	**87,204**	**110,913**	**948,117**
Accumulated Depreciation				
At 1 April 2025	153,750	71,703	39,799	265,252
Charge for the year	15,000	5,362	8,199	28,561
Disposals	-	(1,594)	-	(1,594)
At 31 March 2026	**168,750**	**75,471**	**47,998**	**292,219**
Net book value				
At 31 March 2026	**581,250**	**11,733**	**62,915**	**655,898**
At 31 March 2025	596,250	12,279	56,812	665,341

13 Debtors

	Group 2026 £	Group 2025 £	**Charity 2026 £**	Charity 2025 £
Other debtors	**36,577**	1,707,521	**36,577**	1,707,521
Dividends and interest receivable	**96,308**	71,431	**71,457**	48,202
	132,885	1,778,952	**108,034**	1,755,723

Notes to the financial statements for the year ended 31 March 2026 (continued)

14 Creditors: amounts falling due within one year

	Group 2026 £	Group 2025 £	**Charity 2026 £**	Charity 2025 £
Other creditors and accruals	**531,574**	514,024	**531,574**	514,024
Taxation and social security costs	**29,988**	26,177	**29,988**	26,177
Grants payable	**1,606,716**	1,927,231	**1,606,716**	1,920,231
	2,168,278	2,467,432	**2,168,278**	2,460,432

15 Taxation

As registered charities, Community Foundation North East, Joseph Brough Charitable Trust and Tyne and Wear Foundation Trust are entitled to the exemptions from taxation in respect of income and capital gains received within categories covered by s505 Income and Corporation Taxes Act 1988 and s256 Taxation of Chargeable Gains Act 1992, to the extent that the income/gains received are applied for charitable purposes only. They are therefore not normally liable to UK Income Tax, Corporation Tax, or Capital Gains Tax.

	2026 £	2025 £
Corporation tax payable	-	-

Notes to the financial statements for the year ended 31 March 2026 (continued)

16 Endowment funds

The expendable endowment fund is treated by the Directors as a long-term capital fund to provide income for future grant-making. Endowment donations received are allocated between unrestricted and restricted funds in accordance with the policy for each income fund. Joseph Brough Charitable Trust and Tyne and Wear Foundation Trust both hold permanently endowed funds.

	Group	Charity
	£	£
At 1 April 2025	97,186,553	94,054,676
Transfers between funds:		
Total returns endowment withdrawal	(3,783,820)	(3,783,820)
Transfers to endowment from income funds	329,784	329,784
Exceptional withdrawal from endowment funds	(47,569)	(47,569)
Net income before transfers	8,192,897	8,473,820
At 31 March 2026	**101,877,845**	**99,026,891**

Community Foundation North East (Charity) operates a total returns investment strategy and withdraws income from the endowment funds at a rate of 6% per annum to credit income funds to pay for grants and running costs. The difference between the actual endowment income received on the investments and the total withdrawal figure was £3,783,820 and is shown as a transfer from the endowment fund. A withdrawal of £47,569 was made from the Chronicle Sunshine Fund which was used to cover grant-making commitments during the year.

Notes to the financial statements for the year ended 31 March 2026 (continued)

17 Income funds - restricted

Community Foundation North East receives income and donations both for general charitable purposes and also for more specific areas and issues. All grants are approved by the Board in consultation with individuals and companies who have set up funds within the Community Foundation North East for grant-making. Funds are deemed to be restricted either if they have been donated for a specific purpose or appeal, or if the donor has made a request that they are applied in one area or field. Since the year end the funds in deficit at 31 March 2026 have received sufficient funds to return them to credit.

	At 1 April 2025 £	Income & transfers £	Grants £	Other outgoings & transfers £	At 31 March 2026 £
Frank Acfield	-	937	-	-	937
Abbot Memorial Grants	1,100	-	-	-	1,100
Akzo Nobel International Paint	(6)	4,283	4,000	-	277
Akzo Nobel International Paint Community First	-	-	-	-	-
Amec Legacy and Futures	2,341	7,012	9,100	-	253
Asian	2,230	5,553	2,000	-	5,783
Stuart Ayre	-	1,787	1,787	-	-
Nancy Barbour Award	8,020	5,333	-	-	13,353
Jeremy Beecham Schools	855	21	-	-	876
Bellingham	(70)	2,509	2,500	-	(61)
Berwick Academy Endowment	(263)	8,624	1,564	-	6,797
Blackett Family Community First	1,410	7,795	9,944	-	(739)
EDF Energy Blyth Offshore Demonstrator Wind Farm Community Benefit	1,758	79,656	73,948	7,241	225
Enid Blyton Fund for Seven Stories	-	40,912	40,912	-	-
Bowey Community First	-	-	-	-	-
Ron & Louise Bowey Grassroots	-	13,500	10,407	-	3,093
Briel Family	-	-	-	(14,223)	14,223
Carolyn and Tony Brookes	171	3,139	3,250	-	60
Burnell Community First	-	-	-	-	-
Lawrence Campbell Community First	(1,232)	5,351	1,780	-	2,339
Canford Audio	1,213	535	1,500	-	248
Care Leavers	-	11,000	-	1,000	10,000
Chapman	10,391	23,975	-	-	34,366
Chronicle Sunshine	2,414	1,164	51,147	(47,569)	-
Commissioner's Community	-	126,302	111,820	11,482	3,000
Community Accelerator Fund for Northumberland	15,000	-	-	15,000	-
Community Accelerator Fund for Tyneside	20,400	-	-	-	20,400
Community Accelerator Fund for Wearside	10,000	-	-	9,000	1,000
Community Chest (UKSPF)	-	200,000	176,885	13,995	9,120
The Community Infrastructure Levy (CIL)	27,670	332,105	152,974	16,605	190,196
Carried forward	103,402	881,493	655,518	12,531	316,846

Notes to the financial statements for the year ended 31 March 2026 (continued)

17 Income funds - restricted (continued)

	At 1 April 2025	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2026
	£	£	£	£	£
Brought forward	103,402	881,493	655,518	12,531	316,846
Sir Tom Cowie	64,843	69,480	47,000	-	87,323
Abigail & Stephen Crampton	141	1,766	1,950	-	(43)
CrecheMobile	264	4,721	-	-	4,985
The Louise Dalton	704	2,977	2,850	-	831
Duncan & Sarah Davidson	(47)	5,784	5,500	-	237
Pamela and Dorothy Denham	629	3,444	4,018	-	55
Pamela Denham Community First	-	-	-	-	-
Pamela Denham Grassroots	-	482	482	-	-
David Dockray's West End Young People's	18,069	43,475	(7,323)	-	68,867
Dream Jar	529	1,828	2,056	-	301
Andrew and Charlotte Dixon	1,420	1,194	2,700	-	(86)
Dynamo Digital Inclusion	-	41,989	35,909	2,638	3,442
The Sir George Earle Benevolent	25,200	-	-	25,200	-
The Edwin John Easydorchik Travelling Scholarship	6,958	5,400	-	-	12,358
Evangelical	3,089	7,890	5,000	-	5,979
Express Enterprise	2,739	1,107	-	-	3,846
FARNE	59,685	22,700	41,383	-	41,002
David & Gitta Faulkner	1,079	1,893	1,000	-	1,972
Fausta and Rosemary Community First	-	-	-	-	-
Fergusons of Blyth	845	7,280	-	-	8,125
Fogo Community First	-	-	-	-	-
The Gateshead VCSE	38,871	1,331,615	983,170	136,115	251,201
David Goldman Awards	-	27,971	27,971	-	-
Allison Greenlees Continuation	-	5,775	3,000	-	2,775
The EDF Energy Green Rigg Wind Farm Community Benefit	52,817	39,600	42,767	8,600	41,050
The EDF Energy Renewables Barmoor Windfarm Community Benefit	84,336	92,918	86,148	8,447	82,659
Jackie Haq Fund for Scotswood	5,461	2,127	-	-	7,588
Henderson Family	4,567	1,352	-	-	5,919
Heyman Travelling Scholarships	7,285	9,608	9,467	-	7,426
Joy Higginson Fund for Children North East	-	2,270	2,270	-	-
Hokey Cokey Community First	-	-	-	-	-
Hoult Family Community First	-	-	-	-	-
Hoult Family Grassroots	44	2,596	2,597	-	43
The HunterPemberton Community First	11	4,687	3,776	-	922
JesDesStaff	-	3,014	-	-	3,014
RWE Renewables UK Kiln Pit Hill Wind Farm Community	39,757	27,283	9,180	2,728	55,132
Joyce Trust	12,596	12,462	14,600	-	10,458
Carried forward	535,294	2,668,181	1,982,989	196,259	1,024,227

Notes to the financial statements for the year ended 31 March 2026 (continued)

17 Income funds - restricted (continued)

	At 1 April 2025	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2026
	£	£	£	£	£
Brought forward	535,294	2,668,181	1,982,989	196,259	1,024,227
Josephs Family	261	1,249	-	-	1,510
JPMorgan	6,575	2,293	-	-	8,868
Kellett	40,971	355,367	367,575	-	28,763
Kerry Community First Endowment	1,468	2,267	-	-	3,735
Kerry Grassroots	3,223	3,073	2,500	-	3,796
June King	3,781	3,740	1,274	-	6,247
Latterford	1,763	1,089	3,000	-	(148)
Lendrum Community First	749	13,518	10,000	3,200	1,067
Capt. C.D. Leyland	9,722	3,844	6,500	-	7,066
Linden Community First	-	-	-	-	-
George Loggie	1,056	1,194	500	-	1,750
Godfrey Mallett	-	1,129	-	-	1,129
The Lady Betty and Sir Lawrence Martin	8,479	14,211	11,396	-	11,294
The Mayor's Opportunity	-	450,000	225,000	-	225,000
Grigor McClelland Community First	804	-	-	-	804
Moor	-	1,633	-	-	1,633
Alan Morse Grassroots	1,200	1,225	1,500	-	925
Nadara Sisters North Steads Wind Farm Community Benefit	154,554	197,473	155,723	17,809	178,495
Nash	-	10,137	10,000	-	137
NECA NE Economic Inactivity Trailblazer	-	891,109	891,109	-	-
NEF Grassroots	998	1,596	-	-	2,594
Newcastle Culture Investment	(765)	622,620	587,421	22,500	11,934
Newcastle Dispensary Relief in Sickness	2,703	3,688	4,000	-	2,391
NHS North East and North Cumbria Northern Cancer Alliance	63,854	-	-	63,854	-
North East Cultural Learning	64	9,130	9,730	-	(536)
North East Endowment for Musical Traditions	1,684	5,817	5,975	-	1,526
North East Environment	3,790	14,235	10,000	53	7,972
North East Fund for the Arts	5,963	6,526	6,656	-	5,833
The North East Roots	107,297	21,169	50,000	999	77,467
North East Roots Homecoming	10,000	39,219	-	49,219	-
North East Social Investment	1,016,904	-	-	247,904	769,000
North East Women and Girls	838	35,560	-	-	36,398
North East Women and Girls Community First Endowment	-	-	-	-	-
Northern Angel Fund for Berwick	14,545	24,918	27,656	80	11,727
North Tyneside	-	1,850	-	-	1,850
Northumberland Group	88,088	32,018	20,000	-	100,106
Carried forward	2,085,863	5,441,078	4,390,504	601,877	2,534,560

Notes to the financial statements for the year ended 31 March 2026 (continued)

17 Income funds - restricted (continued)

	At 1 April 2025	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2026
	£	£	£	£	£
Brought forward	2,085,863	5,441,078	4,390,504	601,877	2,534,560
Northumberland High Sheriff Awards	35,268	102,486	78,750	28,433	30,571
Northumberland Village Homes Trust	(183)	114,912	55,230	-	59,500
Northumberland Wildlife Trust	-	1,643	1,643	-	-
Out & About	462,590	5,048	112,108	17,775	337,755
The Pargiter Trust	-	80,000	69,970	8,000	2,030
Anne & David Parker	5,413	8,269	9,000	-	4,682
Participatory Grant-making Fund - Black, Asian and minoritised ethnic communities	42,500	-	36,500	4,000	2,000
Patch	692	14,499	14,000	-	1,191
Pea Green Boat Community First	(5,469)	57,072	45,000	6,500	103
Pen & Palette Club Fund within the North East Fund for the Arts	3,340	4,587	4,900	-	3,027
Percy Family	(538)	8,789	1,912	-	6,339
Philanthropy House	749,893	-	-	-	749,893
Playschemes	2,269	156,580	105,126	8,200	45,523
Platten Family Community First	-	-	-	-	-
Port of Tyne	37,098	58,850	42,626	5,664	47,658
Prudhoe League of Friends	10,384	3,511	-	-	13,895
Geoffrey and Ann Purves	2,667	2,721	5,500	-	(112)
Ivy and Gilbert Purvis	(52)	52	-	-	-
Readman Community First	-	-	-	-	-
Readman Family Grassroots	107,007	71,505	31,998	-	146,514
Carrie Reay Grassroots	3,179	3,748	-	4,084	2,843
REEDS Community First	-	-	-	-	-
REEDS Grassroots	28,273	39,046	34,250	-	33,069
Riddell Family Community First	807	30,843	27,948	3,700	2
Riding Grange Grassroots	3,298	3,097	2,000	-	4,395
Ringtons Community First	-	-	-	-	-
Riverbank	319	4,793	3,000	-	2,112
Jane Robertson Alnwick	7,095	7,837	8,000	-	6,932
Brian Roycroft	9,783	15,180	16,966	-	7,996
Small Family	-	4,275	4,250	-	25
Spriggs Family Community First	-	-	-	-	-
Shohba & Trikoli Srivastava Community First	209	400	-	-	609
Sunderland Industrial & Reformatory School	3,036	1,391	1,000	-	3,427
Suz Grassroots	-	1,583	-	-	1,583
SWEF Enterprise	-	11,250	-	1,250	10,000
Taylor	3,584	19,197	14,500	-	8,281
The Glasshouse International Centre for Music	-	671,885	671,885	-	-
Carried forward	3,598,325	6,946,127	5,788,566	689,483	4,066,403

Notes to the financial statements for the year ended 31 March 2026 (continued)

17 Income funds - restricted (continued)

	At 1 April 2025	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2026
	£	£	£	£	£
Brought forward	3,598,325	6,946,127	5,788,566	689,483	4,066,403
The South Tyneside Know Your Neighbourhood	(16,280)	349,308	268,002	45,581	19,445
Third Sector Trends	9,473	15,000	-	1,480	22,993
Thornton Family Grassroots	1,567	3,820	5,500	-	(113)
Tiny Lives	-	152,208	152,208	-	-
Tyne & Wear High Sheriff Awards	2,652	61,930	52,000	7,095	5,487
Tyne & Wear High Sheriff Community First	-	-	-	-	-
Tyne & Wear Grassroots	607	800	-	-	1,407
Vicky F Grassroots	-	1,328	-	-	1,328
Virgin Money	6,161	3,424	-	-	9,585
Vital Gateshead	506	8,998	4,925	-	4,580
Vital Newcastle	2,576	9,712	4,690	-	7,598
Vital North Tyneside	1,383	3,283	1,870	-	2,796
Vital Northumberland	10,924	26,585	3,680	-	33,829
Vital South Tyneside	(3)	2,431	-	-	2,428
Vital Sunderland	4,747	11,702	-	-	16,449
Waiting Well/Preparing Well	244	-	-	-	244
Ted Weekes	18,976	12,676	23,210	-	8,442
The Wellesley Trust	24,195	336,843	293,375	57,714	9,949
The Wellesley Trust Community First	-	-	-	-	-
The 1989 Willan Charitable Trust	-	735,576	695,548	40,027	-
Mark and Ian Wilson Family	4,226	2,219	2,500	-	3,945
CH Wood	3,872	4,840	5,041	-	3,671
Young Musician's	2,754	6,845	8,320	-	1,279
Total Community Foundation North East	**3,676,905**	**8,695,655**	**7,309,435**	**841,380**	**4,221,745**
Joseph Brough Charitable Trust	73,929	52,640	65,019	31	61,519
Tyne and Wear Foundation Trust	45,008	21,417	11,070	47	55,308
Tyne & Wear Foundation Limited	(30)	-	-	-	(30)
Total Group	**3,795,812**	**8,769,712**	**7,385,524**	**841,458**	**4,338,542**

Income and transfers include credits of £1,756,725 transferred from the main and ethical endowment funds to distribute as income on a total returns basis and £282,658 of other transfers. Other outgoings include transfers between funds of £549,926, amortisation of Social Investments of £41,811 and other fund expenses of £249,721. The Women's Fund includes income from Fausta and Rosemary Community First fund, Pamela and Dorothy Denham fund and PZ fund. Brian Roycroft fund includes income from the Tessa Hide fund. Local Environmental fund includes income from Ivy and Gilbert Purvis fund, PZ fund and Sandra King Rainy Day fund. High Sheriff of Northumberland Youth fund includes income from the Burnell Family and Community First funds.

Notes to the financial statements for the year ended 31 March 2026 (continued)

18 Income funds - unrestricted

As well as a general administrative unrestricted fund (included below for completeness) Community Foundation North East holds the following designated funds which the Directors regard as unrestricted because they are used for general charitable purposes in Community Foundation North East's area of benefit although grants may still be made on recommendations from the donor. The funds are to be used for grant-making and grants are awarded throughout the year when committees meet and make recommendations to the Board. Since the year end the funds in deficit at 31 March 2026 have received sufficient funds to return them to credit.

	At 1 April 2025 £	Income & transfers £	Grants £	Other outgoings & transfers £	At 31 March 2026 £
Adderstone	377	11,754	10,000	-	2,131
AJM	2,346	1,257	2,000	-	1,603
Anonymous	4,135	3,155	-	-	7,290
Appletree	(102)	25,353	22,216	2,500	535
Ashington Community Development Trust	926	3,659	-	-	4,585
Barley Hill	1,899	3,768	3,097	-	2,570
Barnes	107	11,178	10,000	1,000	285
Christopher Beadle	1,288	5,169	4,000	-	2,457
Charles Robert Bell	(280)	13,497	-	-	13,217
John Bell	15,868	63,729	28,347	20,000	31,250
Bellway	2,944	2,914	-	3,648	2,210
Sara Alexandra Bernstone	63	4,683	4,100	700	(54)
Bonas Machine Company	2,700	1,825	1,200	-	3,325
Ron and Louise Bowey	-	37,080	27,725	-	9,355
Dawn Brown	-	1,317	1,000	-	317
Stephen Byers	3,389	7,452	6,300	2,500	2,041
The Muriel Campbell	788	1,587	-	-	2,375
Carr-Ellison Charitable Trust	484	21,772	21,000	-	1,256
Carroll Savage	(31)	5,736	430	-	5,275
Caru	23,000	50,000	45,700	6,000	21,300
Chrysalis	(15)	1,870	2,120	-	(265)
Community Investment	601,915	185,485	-	30,802	756,598
Steve & Christine Convey	21,543	124,423	88,827	500	56,639
Daphne & Martin Cookson	194	4,930	4,500	700	(76)
Roland Cookson Fund for the Charlotte Straker Project	-	68,893	68,893	-	-
Roland Cookson Community	(452)	20,612	6,142	1,566	12,452
Crozier	-	5,234	-	5,234	-
Curtain PARP	(6,275)	48,315	22,492	195	19,353
John D Endowment	(716)	13,090	12,093	-	281
Dickon Trust	(2,281)	72,842	58,950	5,000	6,611
Elgon	2,600	1,092	1,000	-	2,692
Fogo	6,180	36,665	35,950	3,000	3,895
Alison and Michael Gallico	-	2,077	2,000	-	77
George and Peggy	4,235	5,277	6,500	-	3,012
Adrian and Ingrid Gifford	1,504	1,247	-	-	2,751
The Giving Network	10,699	29,454	25,204	1,191	13,758
Margaret and Dorothy Gordon Memorial	(49)	1,162	-	-	1,113
Carried forward	698,983	899,553	521,786	84,536	992,214

Notes to the financial statements for the year ended 31 March 2026 (continued)

18 Income funds - unrestricted (continued)

	At 1 April 2025	Income & transfers	Grants	Other outgoings & transfers	At 31 March 2026
	£	£	£	£	£
Brought forward	698,983	899,553	521,786	84,536	992,214
Groves Family	693	5,065	5,000	-	758
Michael and Christine Heppell	5,894	3,237	3,000	-	6,131
Cynthia Hoare	17,714	28,298	34,500	-	11,512
Bill and May Hodgson	3,372	16,650	17,776	2,222	24
The Hokey Cokey (that's what it's all about)	3,488	6,733	2,620	254	7,347
I'Anson Family	2,629	2,730	2,250	-	3,109
If only...	-	1,506	1,506	-	-
Sir James Knott	-	2,145	2,145	-	-
John Laing	10,061	5,112	5,000	-	10,173
William Leech Charity	35,554	21,942	-	11,000	46,496
Leech Challenge	2,360	3,102	-	3,869	1,593
Brian Lewis	-	-	-	-	-
Linden Family	(38)	129,181	72,861	15,000	41,282
FB & PFB Lough	14,951	101,580	111,158	2,000	3,373
Grigor McClelland	24,971	17,582	17,729	-	24,824
The RW Mann Trust	-	20,000	-	-	20,000
Daisy Marr	3,830	28,917	28,801	-	3,946
Maudslay Family	4,220	2,336	6,556	-	-
G S May Family	286	6,741	5,600	1,400	27
McIntosh	1,740	1,673	-	2,144	1,269
Alan Milburn	9,929	18,517	-	14,223	14,223
Muckle LLP	19,061	75,762	61,435	10,449	22,939
Naylors	3,025	6,744	8,016	-	1,753
Newcastle Building Society Community	27,423	175,732	153,566	-	49,589
Emma Newton	4,210	4,976	9,000	-	186
North East Brewers	3,128	6,206	-	-	9,334
Northern Powergrid	1,177	15,432	16,535	-	74
Northumbrian Water	12,862	6,333	3,549	-	15,646
Pattinson Estate Agents	1,450	6,572	1,000	-	7,022
Platten Family	172,088	213,313	247,020	18,739	119,642
PricewaterhouseCoopers	2,924	1,843	2,500	-	2,267
Prime	23,214	164,028	140,383	5,000	41,859
Proudfoot Family	626	1,347	1,900	-	73
P&G	(794)	55,945	47,000	-	8,151
Guy Readman endowment	130,037	126,998	15,000	6,500	235,535
Matthew Ridley	4,483	1,281	-	4,789	975
Ringtons	512	59,623	36,237	-	23,898
Robinson	-	351	-	-	351
Rolls-Royce	2,315	2,564	2,315	-	2,564
St Cuthbert's	(1)	2,078	2,077	-	-
John & Barbara Sadler & Jeanette Henderson	738	5,397	6,000	-	135
Johnnie & Tricia Smith and Family	2,561	4,521	-	-	7,082
Barry & Faga Speker	1,402	1,227	1,000	-	1,629
Spriggs Family	(510)	1,478	-	-	968
Carried forward	1,252,568	2,262,351	1,592,821	182,125	1,739,973

Notes to the financial statements for the year ended 31 March 2026 (continued)

18 Income funds - unrestricted (continued)

	At 1 April 2025 £	Income & transfers £	Grants £	Other outgoings & transfers £	At 31 March 2026 £
Brought forward	1,252,568	2,262,351	1,592,821	182,125	1,739,973
Squires Foundation	3,611	4,764	-	2,000	6,375
Shobha and Triloki Srivastava Grassroots	806	2,565	1,700	1,000	671
Star	7,771	9,733	11,000	1,500	5,004
Tess	2,420	3,054	-	-	5,474
Brian & Margaret Thompson	-	1,447	1,000	-	447
Treeline	1,242	3,383	3,500	-	1,125
Vaux	4,157	8,247	5,500	-	6,904
Ward Hadaway	(135)	13,742	4,000	480	9,127
Watkin Family	-	28,579	4,000	-	24,579
Weightman	(134)	1,336	-	1,200	2
Welch Family	1,708	1,282	1,500	500	990
Wide Open Road	6,507	12,675	16,889	-	2,293
Willis Charitable	4,582	18,246	18,285	-	4,543
Marian Winship	4,101	4,058	4,000	-	4,159
The Lucy Winskell	-	1,139	1,139	-	-
Winter Family	-	15,858	4,500	-	11,358
Robert Wood Trust	7,774	4,465	1,070	-	11,169
Other general grant-making funds	275,084	349,342	56,817	126,110	441,499
Total designated funds	1,572,062	2,746,266	1,727,721	314,915	2,275,692
Administrative fund	1,042,001	1,722,817	-	1,895,191	869,627
Total Community Foundation North East	2,614,063	4,469,083	1,727,721	2,210,106	3,145,319
Total Group	2,614,063	4,469,083	1,727,721	2,210,106	3,145,319

Income and transfers include £2,027,095 transferred from the main and ethical endowment funds to distribute as income on a total returns basis and £598,211 of other transfers. Other outgoings and transfers consist of £613,158 transferred between funds, £1,230,320 staff costs, £9,018 designated fund expenses and other net administrative costs of £357,610

A number of funds contribute to the Community Foundation North East's general unrestricted grant funds, including Crosshatch, Crozier, Tony Follows Legacy, Ian and Jane Gregg, Greggs plc, Sir James Knott Trust, Mitford, Esmee Slattery, Templeton, Three Valleys, Tolent, Tyne Tees Television, and two anonymous funds. Three funds contribute directly to the administrative fund, Ronald Edward William Murray, Brian Lewis and Hadrian Trust. In addition to the funds listed in restricted and unrestricted funds there are 5 acorn type funds at the year end, a number of which currently donate their income to other funds and they will appear in the above analysis once they reach maturity.

Notes to the financial statements for the year ended 31 March 2026 (continued)

19 Analysis of net assets between funds

Group

	Unrestricted funds	Restricted funds	Endowment funds	**2026 Total**
	£	£	£	**£**
Investments	-	769,000	101,805,029	**102,574,029**
Tangible fixed assets	74,648	581,250	-	**655,898**
Current assets	3,451,705	4,775,536	72,816	**8,300,057**
Current liabilities	(381,034)	(1,787,244)	-	**(2,168,278)**
Total net assets	3,145,319	4,338,542	101,877,845	**109,361,706**

Charity

	Unrestricted funds	Restricted funds	Endowment funds	**2026 Total**
	£	£	£	**£**
Investments	-	769,100	98,954,075	**99,723,175**
Tangible fixed assets	74,648	581,250	-	**655,898**
Current assets	3,451,705	4,658,639	72,816	**8,183,160**
Current liabilities	(381,034)	(1,787,244)	-	**(2,168,278)**
Total net assets	3,145,319	4,221,745	99,026,891	**106,393,955**

20 Pensions

The Community Foundation North East contributes to a defined contribution group pension scheme for all staff. The assets of the schemes are held separately from those of the Community Foundation North East in independently administered funds. The pension charge represents contributions by the Community Foundation North East to the funds and amounted to £63,042 (2025: £59,329). The amount outstanding in contributions at 31 March 2026 was nil (2025: nil).

21 Subsidiary company and charities

These financial statements are consolidated to include the financial transactions of the following as required under the Statement of Recommended Practice:

Tyne & Wear Foundation Limited - wholly owned subsidiary

Joseph Brough Charitable Trust - sole trustee

Tyne and Wear Foundation Trust - sole trustee

Notes to the financial statements for the year ended 31 March 2026 (continued)

21 Subsidiary company and charities (continued)

As permitted by section 408 of the Companies Act 2006, and by paragraph 422 of the Statement of Recommended Practice 2005, no separate company Statement of Financial Activities has been presented for Community Foundation North East within these financial statements. The Company's gross income for the year was £13,458,753 (2025: £11,730,274) and its net income for the year was £6,048,311 (2025: £510,582) after the addition of gains on investments of £3,855,986, less bad debt provision of £41,811 (2025: losses £577,780 and bad debt provision of £49,000).

Community Foundation North East owns the whole of the issued share capital of Tyne & Wear Foundation Limited, a company registered in England (Company number 3971646). The subsidiary is used to carry out larger fundraising events on behalf of the charity. The company was inactive during the year and therefore the amount gift aided to the Community Foundation North East was nil (2025: nil).

A summary of results of the subsidiary company is shown below:

	Total 2026	Total 2025
	£	£
Turnover	-	-
Cost of sales	-	-
Operating profit	-	-
Administrative costs	-	-
Net profit	-	-

The aggregate of the assets and liabilities was:	**Total 2026**	Total 2025
	£	£
Assets	**70**	70
Liabilities	-	-
Net assets	**70**	70

Notes to the financial statements for the year ended 31 March 2026 (continued)

21 Subsidiary company and charities (continued)

Community Foundation North East is sole trustee of Joseph Brough Charitable Trust, a registered charity (Charity number 227332). All activities of the charity have been consolidated on a line by line basis in the SOFA. A summary of the results of Joseph Brough Charitable Trust is shown below:

	Total 2026	Total 2025
	£	£
Investment income	**70,470**	67,295
Charitable activities	**(82,880)**	(48,963)
Losses on investments	**(203,821)**	(97,198)
Net movement in funds	**(216,231)**	(78,866)

The aggregate of the assets, liabilities and funds was:

	Total 2026	Total 2025
	£	£
Assets	**2,129,948**	2,353,179
Liabilities	-	(7,000)
Funds	**2,129,948**	2,346,179

Represented by:	**Total 2026**	Total 2025
	£	£
Permanent endowment fund	**2,068,429**	2,272,250
Restricted funds	**61,519**	73,929
Funds	**2,129,948**	2,346,179

Notes to the financial statements for the year ended 31 March 2026 (continued)

21 Subsidiary company and charities (continued)

Community Foundation North East is also sole trustee of Tyne and Wear Foundation Trust, a registered charity (charity number 1030800). All activities of the charity have been consolidated on a line by line basis in the SOFA. A summary of the results of Tyne and Wear Foundation Trust is shown below:

	Total 2026	Total 2025
	£	£
Investment income	**26,660**	25,458
Charitable activities	**(16,360)**	(21,147)
Losses on investments	**(77,102)**	(36,765)
Net movement in funds	**(66,802)**	(32,454)

The aggregate of the assets, liabilities and funds was:

	Total 2026	Total 2025
	£	£
Assets	**837,833**	904,365
Liabilities	**-**	-
Funds	**837,833**	904,365

Represented by:	**Total 2026**	Total 2025
	£	£
Permanent endowment fund	**782,525**	859,627
Restricted funds	**55,308**	45,008
Funds	**837,833**	904,635

Notes to the financial statements for the year ended 31 March 2026 (continued)

22 Related party transactions

In the ordinary course of Community Foundation North East's activities, it has awarded grants to other charities or organisations that have common Trustees/Directors, or whose employees are Directors of Community Foundation North East or where members of the Executive Team are Trustees/Directors. All grants have been awarded using the same guidelines as any other grant. Directors and staff are always required to declare their interest in any organisation being considered for a grant and do not take part in any such decisions.

During the year Directors and their associated companies donated a total of £36,215 (2025: £1,776,773) to Community Foundation North East endowment funds, revenue funds and for sponsorship, and £570 (2025: £570) was donated by members of the Executive Staff Team. Community Foundation North East is a member of the Association of Charitable Foundations (ACF), which John Hollingsworth, one of the Community Foundation North East Executive Staff Team, is a trustee of, and paid £4,621 in membership fees during the year.

Full details are given below of grants awarded during the year to related charities and organisations.

Organisation	Director/employee involved	Relationship	Total grants
			£
Connected Voice	Stella Simbo	Employee	17,729
Newcastle City Council – Care Leaver Team	Pam Smith	Employee	21,470
Meta4 Dance Company	Lucia Bridgeman	Trustee	1,250
Northumbria University	Sarah Glendinning	Employee	1,000
Success4All CIO	Stella Simbo	Volunteer	5,000
Sunderland Empire Theatre Trust	Adam Lopardo	Trustee	3,300
The Elders Council Newcastle	Stella Simbo	Trustee	12,000
Tyne Rivers Trust	John Hollingsworth	Trustee	11,617

During the year, the following transactions were made between the main charity and its subsidiaries.

Subsidiary	Nature of transaction	Value
		£
Joseph Brough Charitable Trust	Paid Community Foundation North East for administrative services	5,000
Joseph Brough Charitable Trust	Paid Community Foundation North East a grant to the South Tyneside Know your Neighbourhood fund	12,830
Tyne & Wear Foundation Trust	Paid Community Foundation North East for administrative services	5,243

Notes to the financial statements for the year ended 31 March 2026 (continued)

23 Cash flow information for the Group

Reconciliation of net income to net cash flow from operating activities

	2026 £	2025 £
Net income for the year	**5,765,278**	399,262
Adjustments for:		
Receipt of endowment	**(4,958,704)**	(4,441,947)
Depreciation charges	**28,561**	25,771
(Gains)/losses on endowment investments	**(3,575,063)**	711,743
Losses on programme related investments	**41,811**	49,000
Dividends and interest from investments	**(2,257,112)**	(2,325,794)
Decrease/(increase) in debtors	**1,646,067**	(1,060,428)
(Decrease)/increase in creditors	**(299,154)**	369,917
Net cash used in operating activities	**(3,608,316)**	(6,272,476)

Analysis of cash and cash equivalents

	2026 £	2025 £
Cash at bank and in hand	**4,007,100**	1,863,546
Short-term deposits	**4,160,072**	4,613,936
Total cash and cash equivalents	**8,167,172**	6,477,482

24 Ultimate controlling party

The Directors do not consider that Community Foundation North East (Charity) has an ultimate controlling party because Community Foundation North East has a large and wide-ranging membership who elect the Board and would be required to agree any changes to the Memorandum and Articles. Due to the structure of Community Foundation North East (Charity) the group also does not have an ultimate controlling party.