

BETTER GIVING

STARTS HERE

Trustees' report and financial
statements for the year ended
30 April 2025

CAF
Charities Aid Foundation

The Charities Aid Foundation (CAF) exists to accelerate progress in society towards a fair and sustainable future for all. Over the last 100 years, we have led the way in developing innovative approaches to giving. Annually, we distribute over £1 billion to social purpose organisations around the globe.

As a leading charity operating from the UK, US and Canada, alongside an international network of partners, CAF works at the centre of the giving world. We collaborate with corporate and individual donors to enable them to give more effectively, strategically and impactfully. This includes connecting them to charities globally and providing access to our in-depth sector knowledge, governance expertise and innovative giving solutions.

We help social purpose organisations to strengthen their resilience and do more of their life changing work, through strategic advisory services from our Impact Accelerator, tools to support charities’ fundraising activities, and charity financial services from CAF Bank Limited and CAF Financial Solutions Limited. Using our research, policy and campaigns work, we understand and influence the wider environment for charities and donors.

TOGETHER, WE GIVE MORE.

OUR VALUES | ACT WITH INTEGRITY | MOVE FORWARD TOGETHER | SHAPE THE CHANGE

1.	3
2.	9
3.	13
4.	31
5.	39
6.	49
7.	57
8.	67
9.	75
10.	97
11.	99
	107

The Smiths Group Foundation

CASE STUDY

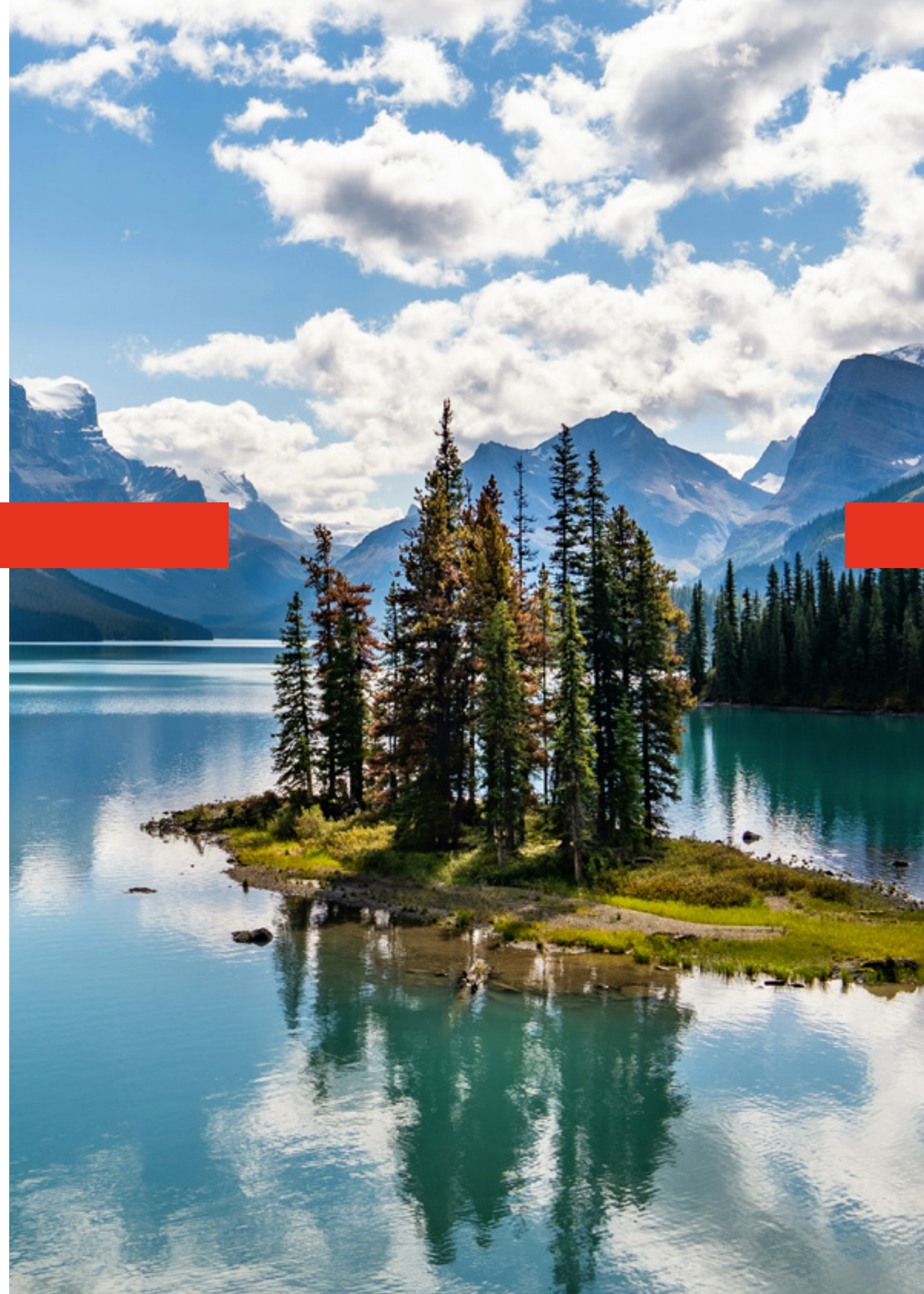


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SEE PAGE

Image: The Smiths Group Foundation

MESSAGES FROM OUR CHAIR AND CHIEF EXECUTIVE





SIR JAMES LEIGH-PEMBERTON, CVO
CHAIR OF TRUSTEES

“Thanks to the generosity of the donors we work with and the dedication of the charities they support, it has been a record year for CAF. The £1.2 billion given through CAF is a huge sum of money in itself, but it also represents incalculable impact: communities strengthened, habitats protected and opportunities created.”

2024/25 marked the Charities Aid Foundation's centenary year and I am pleased to say that once again, thanks to the generosity of the donors we work with and the dedication of the charities they support, it has been a record year for CAF. The £1.2 billion given through CAF is a huge sum of money in itself, but it also represents incalculable impact: communities strengthened, habitats protected and opportunities created.

I can think of no better way to have celebrated such a milestone than by demonstrating that, a hundred years on, the organisation is still focused on the purpose for which it was originally created by National Council for Voluntary Organisations (NCVO) and is fulfilling that purpose more and more each year.

This year has also underlined that we can take none of this for granted. CAF's research over the year has shown that, while the UK remains a generous country, we are increasingly relying on a declining number to give — and that those who can afford to, could give more.

CAF has worked to put philanthropy and charitable giving firmly on the agenda of the UK Government. And the question of how to encourage people to give more, if they can, formed the centrepiece of events for the charity's centenary, in the heart of Parliament in

Speaker's House, at Apsley House as guests of The Duke of Wellington, and at the UN General Assembly in New York.

With the same purpose in mind, in 2024/25, we have worked to strengthen our international network of independent partners at a meeting in Argentina, and renewed our efforts to build strategic relationships with multilateral organisations and international infrastructure bodies.

This year was also the 25th anniversary of the CAF American Donor Fund (CADF), which helps those who pay tax in both the US and the UK to maximise the impact of their giving. It was the first organisation to offer specialised services of this kind to donors, and since its foundation it has received over £1.1 billion in charitable donations. It too has delivered another remarkable year of progress despite the heightened global uncertainty and volatility, with over £117 million in donor-advised grants payable to charities.

CAF's North American subsidiaries continue to move forward, with Jessie Krafft confirmed in post as the President and CEO of CAF in North America in 2024/25. As established leaders in global grantmaking, CAF America made US\$831 million in grants and CAF Canada CAD\$34 million, alongside their continuing work to promote cross-border giving more widely. This effort

saw the launch this year of the Global Relief Navigator, which enables US donors to track disaster events and the trusted organisations responding to them in real time. CAF Canada took an important step in its present development towards future growth, appointing Joanne Kviring as its first Managing Director.

The charities we serve need us more than ever, and we continue to do what we can to support them to build their resilience in this uncertain environment. There is no better illustration of the need for the services we provide than the crucial work undertaken by CAF Bank over the course of this year. New applications to open accounts with CAF Bank are running at record levels, reflecting the central role it plays in providing essential financial services suited to the needs of charities, and the Bank continues to help organisations to grow sustainably, committing £41.5 million in loans this year.

Looking to the future and with a view to accelerating the momentum we see in giving through CAF, the CAF Board of Trustees and the CAF America Board commissioned a strategy review to build on the positive organisational change achieved through the Together Building Opportunity initiative and prepare us for the next phase of development. The strategic plan that resulted will steer the organisation through the next three years and deepen alignment and collaboration across the whole of CAF, and at the same time modernise our operating platforms and processes to provide both donors and charities with improved services.

Finally, 2024/25 is my last full year as Chair of CAF's Trustees, a position I have been privileged to hold for just over six years. The economic and geopolitical changes over that period, the Covid-19 pandemic, the spread of global conflict and the rising cost of living around the world have made for one of the most challenging operating environments in 70 years.

Notwithstanding the headwinds of recent years, since 2019, CAF has more than doubled its distributions to charities, evidence — if evidence were needed — that the impulse to help those in need remains resilient and even more responsive in tough times, and that clarity of purpose can guide us through even the choppiest of waters.

Whatever we accomplish at CAF is possible only because of the continuing support of our donors and the unstinting dedication of my colleagues. To our donors,

may I express my admiration and gratitude for your unwavering commitment to the welfare of others. And to my fellow Trustees and all colleagues across the CAF group, I offer my sincere thanks for your dedication to CAF, your hard work and your infectious energy.

As I hand over this summer to Sir Edward Braham, our new Chair, I have every confidence that CAF begins its second century well-positioned to meet the challenges and opportunities it will bring.

Sir James Leigh-Pemberton, CVO
Chair of Trustees

KEY HIGHLIGHTS DURING 2024/25

PAID IN

£1.343BN
donations to CAF group.

£1.155bn donations to
CAF group in 2023/24.

PAID OUT

£1.203BN
donations given to charities
through CAF group.

£1.132bn given to charities
through CAF group in 2023/24.



NEIL HESLOP, OBE
CHIEF EXECUTIVE

“That this is a record year for CAF is heartening. But philanthropy and charitable giving have never been more needed. Against a backdrop of global political and economic uncertainty, retrenchment in international aid and other fiscal constraints, securing greater and more impactful philanthropy — and its encouragement — is now essential.”

All giving starts with a story. It's one of the privileges of working at CAF that we get to play a part in thousands of individual stories of giving, just a handful of which are highlighted in this Annual Report. They are a reminder — as I am reminded every day in this role — that when we say we have distributed over a billion pounds to charities again this year, it is the sum total of the generosity of others and their individual connections to causes the world over.

That this is a record year for CAF is heartening. But philanthropy and charitable giving have never been more needed. Against a backdrop of global political and economic uncertainty, retrenchment in international aid and other fiscal constraints, securing greater and more impactful philanthropy — and its encouragement — is now essential.

In the UK, CAF's research has underlined the persisting challenges that are putting a strain on charities: rising demand and inflated costs while incomes are squeezed. In response, we have continued to invest in, and to strengthen, the expert advice and support we provide to social purpose organisations through our Impact Accelerator, and through financial services offered by CAF Bank and CAF Financial Solutions Limited.

In spring 2025, we launched our Charity Resilience Calculator, an innovative new tool to help charities focus on building their resilience in tough times, based on research with charity leaders and in partnership with The Association of Chief Executives of Voluntary Organisations (ACEVO), the Association of Chief Officers of Scotland Voluntary Organisations (ACOSVO) and Chief Officers 3rd Sector (CO3).

This year's UK Giving research demonstrated that, in cash terms, the UK continues to be a generous nation. However, for the first time, the number of people who do not give matches those who do — and there is a great deal of geographical variation in giving patterns.

I believe that we are at an inflection point for our sector and that government has a clear role to play in setting out how it will encourage and incentivise greater giving. Its commitment in autumn 2024 to a place-based philanthropy strategy was welcome, but that must form part of a wider strategic approach.

CAF has been engaging in this conversation with the UK Government since the General Election in July 2024, working with partners including the Beacon Collaborative and the Centre for Social Justice and, most recently, through involvement in the Social

Impact Investment Advisory Group set up by the Chief Secretary to the Treasury and the Culture Secretary.

Similarly, with our Corporate Giving research highlighting flatlining donations from some of Britain's biggest businesses, we have taken our case — that being a responsible business must mean investing in your community — to Anthropy and also discussed how innovations in finance and tech can achieve meaningful social change at Davos.

Globally, our World Giving research has continued to inform debate about the differences and similarities in the giving landscape, including in our work with the Philanthropy Europe Association (Philea), Asia Venture Philanthropy Network, Transnational Giving Europe and, of course, our own colleagues and partners in the CAF International Network.

As the world around us shifts and evolves, so too must our organisation. In 2024/25, we have redoubled our work to make sure our operations in the UK and North America are in good shape for the future. Building on the firm foundations put in place by our 2021 Together Building Opportunity Strategy, the One CAF Strategic Plan — developed through close collaboration between our UK and North American entities — will guide us over the next three years to strengthen our impact, and to give our people new tools to maximise the value we bring to donors, charities and society more widely.

This has been an important year for CAF and not just because it was the hundredth anniversary of our founding. In a tough global environment for giving, against a backdrop of record distribution, our strategic plan looks to the future of this organisation and of giving, and sets out an ambitious pathway to a digitally enabled, truly global platform for giving.

I want to express my gratitude to my colleagues at CAF in the UK and North America for their incredible contribution in 2024/25, to our donors, the sector partners and the charities across the world that make our work mean so much, and to our Trustees for their commitment.

I would also like to thank Sir James who, through the last year and his years before as Chair, has been both CAF's tireless champion and a source of sage advice and guidance to us all. I look forward to working with Sir Edward Braham as our new Chair as we write the next chapter in CAF's giving story.

Neil Heslop, OBE
Chief Executive

WHO WE ARE, WHAT WE DO

The Charities Aid Foundation exists to accelerate progress in society towards a fair and sustainable future for all. As a globally active charity, we operate from the UK and North America as CAF in the UK, CAF America, CAF Canada and CADF.

Together, we leverage our unique position at the centre of the giving world — to drive greater and more impactful giving through tailored, innovative and strategic services for individual and corporate donors, and help social purpose organisations to realise meaningful change in the lives of millions worldwide. Annually, we distribute over £1 billion to charities around the globe.

Through our influence and reach, we aim to foster a favourable global giving environment. A vital part of this is our collaboration with CAF's International Network, as well as strategic partners including multilateral organisations, national policymakers, think tanks, and influential sector infrastructure and membership bodies.

In the UK, we own CAF Bank Limited and CAF Financial Solutions Limited (CFSL). These organisations help charities and social enterprises to manage their finances and funds, so they can continue to support the causes and communities that matter to them.



Empowered Giving

At CAF, we work to turn our donors’ generosity, connection to a cause and ambition for change, into tangible progress towards a better future.

Our philanthropy experts collaborate with individual donors, their families and advisers, exploring a range of innovative ways to achieve their giving ambitions.

Our corporate client team enable businesses to develop social impact strategies that align to their business objectives, strengthen employee engagement and make a positive difference to the communities we serve.

Our strategic advisers provide best-practice advice and support, alongside CAF’s fundraising tools, so more charities can approach the future with confidence and focus on their missions.

BETTER GIVING STARTS HERE

Every CAF story starts somewhere and ends in impact. This year, we are spotlighting some of the inspirational giving stories our work has helped to create. Philanthropy has never been more needed, and through highlighting the impact of generous donors and the dedicated charities they support, we hope to inspire and enable others to give.

NAVIGATING UNCERTAINTY

Around the world, civil society is under pressure, with funding constrained and the competition to access it increasing. At the same time, charities continue to face severe challenges, working to meet an ever-growing demand for their services.

So, in the UK, US and Canada, we are enhancing the expertise, support and tools we have to make charitable giving globally as effective, strategic and impactful as possible.

ONE CAF

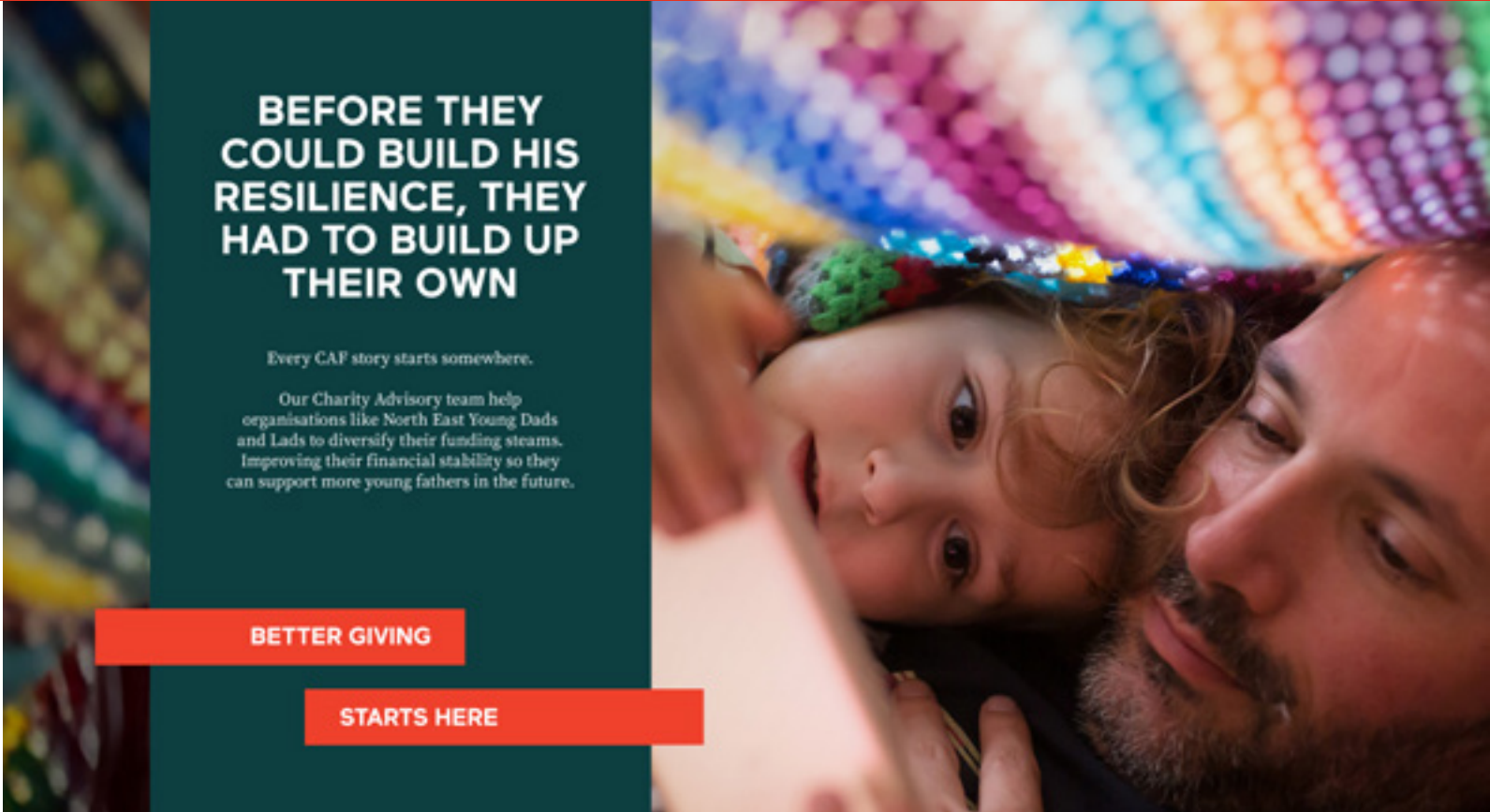
The engine for this is our One CAF Strategic plan, which outlines the next phase of delivery for CAF’s Together Building Opportunity strategy.

Our three-year strategic plan builds on our progress since 2021, to deliver a high-value experience for our colleagues and those we serve at CAF. We will do this by developing our ambitious global people plan centred around shared values, continuing to revitalise our global brand and organisational culture, streamlining and aligning our operations, and refreshing our digital capabilities.

With Jessie Krafft, President and CEO of CAF in North America, and Mark Greer, Managing Director, Charities Aid Foundation, leading the plan’s implementation over the next three years, we have set a course to become an innovative, agile and purposeful organisation that is a great and safe place to work.

This annual report documents our progress over the 2024/25 financial year.

A Better Giving Starts Here impact story



One of our ambitions is to make sure that the services we provide donors are as simple and intuitive as possible, while bolstering charities’ resilience to enable them to achieve measurable impact.

So, we are working to:

- Introduce a suite of simplified self-serve giving services designed to meet the current and future needs of donors and charities.
- Diversify and enhance our services for donors to support safe, strategic and secure giving around the world.
- Deepen collaboration across a global network of charities, alongside the insights, guidance and assistance we offer them.
- Increase our ability to respond quickly and effectively to global disasters and become a recognised resource for disaster relief.
- Improve the efficiency of our platform through digitisation, the modernisation of our operations and creating economies of scale across the UK and North America.

GREATER SOCIAL IMPACT THROUGH GIVING

In the UK and North America, CAF partners with donors — individuals and corporates — to enable giving with greater purpose and impact, offering expert ways to achieve their charitable ambitions.



Personal Giving

We work with donors to help them secure greater impact, empowering them to create more meaningful change whatever their personal cause.

Philanthropic giving is increasingly crucial to many charities’ financial resilience. So, in 2024/25, we have promoted strategic, tax-effective giving, collaborating closely with individual donors, their families and their advisers, as well as their chosen charities to reinforce the connections that make giving possible.

DELIVERING INDUSTRY-LEADING SUPPORT

We cover all areas of tax-effective giving, whether it is assistance to facilitate an impactful one-off gift, begin a new philanthropic journey, or make long-term giving more strategic and effective.

CAF offers Donor Advised Funds, such as The Charitable Trust and CADF, as well as social investment opportunities and strategic advisory services through our Impact Accelerator.

We are always working to improve our standards of service, providing a flexible approach tailored to donors’ needs. This includes dealing with the complex legal and regulatory requirements of receiving and distributing charitable assets globally.

STRENGTHENING SERVICE EXCELLENCE

In 2024/25, CAF achieved the Institute of Customer Service Mark Accreditation in the UK. This national standard recognises long-term strategic commitment to upholding high standards of customer service.

Our expert advisers also received awards recognition this year, reinforcing our reputation as experts in philanthropy. CAF’s UK private client team won an award for Global Reach in the Not-For-Profit, Foundation and Trust category at the WealthBriefing Wealth for Good Awards and were nominated for Philanthropy Team of the Year at the STEP Private Client Awards.

ENABLING STRATEGIC GIVING

To help inspire greater, and more impactful giving, we are creating opportunities across our community of charities and donors to meet and learn from each other, and from experts and civil society leaders.

Celebrating 100 years of philanthropy

Marking CAF’s centenary, we supported an ambitious programme of events through 2024/25, including a reception at Speaker’s House in Parliament, the Centre for Social Justice’s Big Listens, lead partner sponsorship of the Beacon Philanthropy and Impact Forum, and numerous other receptions, roundtables and webinars.

Towards the close of 2024, donors and trustees attended a special event held at Apsley House, hosted by the Duke of Wellington, to celebrate 100 years of philanthropy through CAF.

THE YEAR AHEAD

Our priorities for our individual donors are to:

- Reinforce our understanding and support of donors’ philanthropic needs and ambitions, by deepening our insights, strengthening our charity relationships, and providing a best-in-class experience.
- Create more opportunities for our donors to connect with their peers and experts from across the sector, to share learnings and promote effective philanthropy.
- Continue to grow impact, through our strategic partnerships and impact-aligned investments.

SPOTLIGHT ON HIGH-VALUE GIVING

Early in 2025, CAF published High-Value Giving: How the UK’s Wealthy Give. This research aims to add to the sector’s knowledge about High-Net-Worth Individuals (HNWIs), including estimating the size of the UK’s wealthy population and their philanthropic giving.

536,673

The estimated number of HNWIs in the UK.

£2TN

The estimated combined investable assets of HNWIs.

£549BN

The estimated combined investable assets of the wealthiest 0.01%.

Altrata’s model suggested that in 2023, HNWIs in the UK donated an estimated.

£7.96BN

equivalent to 0.4% of their investable assets.¹

¹ This total donation amount is in addition to the £13.9 billion given by the general population in 2023 (UK Giving).

KEY HIGHLIGHTS FOR PERSONAL GIVING DURING 2024/25

MAJOR DONORS

£178.1M

paid out to charities worldwide from our major donors.

CADF DONORS

£117.0M

given to charities worldwide from our CADF donors.

REGULAR GIVERS

£98.5M

paid out to charities worldwide from our individual donors.

MAXIMISING IMPACTFUL, TRANSATLANTIC GIVING

CAF is committed to being the trusted giving expert for people who want to give effectively. Established in 2000, CADF maximises the value of transatlantic giving by enabling dual US and UK taxpayers to claim eligible tax relief in both countries, boosting support for the causes they care about.

Over 25 years, CADF has helped individuals and organisations to contribute to a legacy of impact worth over £1.1 billion (US\$1.5 billion) in donations received.

For CADF, 2023/24 was an unprecedented year of growth, driven by major one-off donations from our donors. It is a testament to their generosity that CADF has once again been able to achieve incredible progress in 2024/25, despite global uncertainty.

The donor-advised grants payable to charities by CADF reached £117 million in 2024/25 (2023/24: £112 million), with donations received totalling £138 million (2023/24: £155 million). Meanwhile the number of new donors continues to grow.

IN CADF, OVER THE LAST 25 YEARS

£1.1BN

in donations received.

Marking 25 years of CADF

In February 2025, we thanked donors and their advisers, and the charities they support, for their continued generosity and collaboration, bringing them together with colleagues from across CAF in the UK and North America to mark CADF's 25th anniversary.



Image: CAF

Taking off

When a CADF donor expressed interest in supporting healthcare-related causes, we connected them with Orbis UK, an affiliate of Orbis International. The charity works around the world to ensure that everyone has equitable access to eye care, combining support from donors and in-country healthcare partners.

Drawing on our advisers' expert knowledge of Orbis's international operations, the donor committed a US\$100,000 grant to help support the Orbis Flying Eye Hospital. This is the world's only fully accredited ophthalmic teaching hospital onboard a MD-10 aircraft.

By funding cutting-edge, virtual simulation training technology onboard, the impact of the donor's gift travels with the jet on every mission.

During the aircraft's time in Bangladesh in 2024/25, 113 eye doctors and junior doctors participated in surgeries and lectures alongside Orbis's expert volunteers, building capacity among senior ophthalmologists through their Training of Trainers initiative. This training was also shared globally, with sessions livestreamed to 47 countries.

95

The Orbis Flying Eye Hospital has taken world-class training to eye care teams in over 95 countries.

47

Orbis's training in Bangladesh was shared globally with 47 countries.

113

Eye doctors and junior doctors participated in surgeries and lectures during the aircraft's time in Bangladesh.

1

The world's only fully accredited ophthalmic teaching hospital onboard a MD-10 aircraft.

“Generous support from CAF’s American Donor Fund has enabled Orbis to continue its work to provide access to eye care around the world.”

Rebecca Cronin
CEO, Orbis UK

CASE STUDY



Driving Innovation and Sustainable Financing

CASE STUDY

Protecting the environment for the future requires collaboration between charities and the private and public sectors, with meaningful solutions increasingly reliant on innovations in finance and technology.

The Scale Up Fund is a philanthropic alliance led by The Nature Conservancy, comprising private equity and entrepreneurial skills.

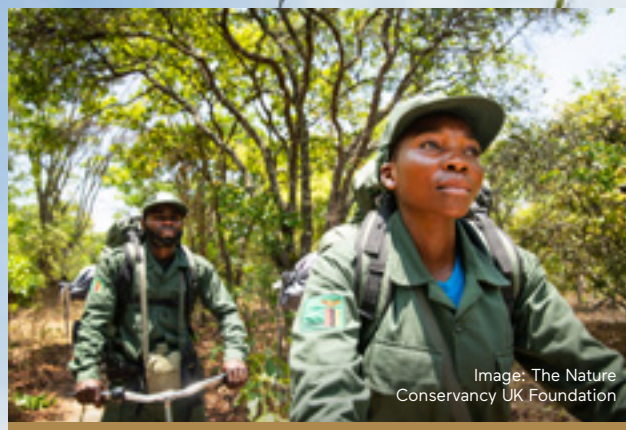


Image: The Nature Conservancy UK Foundation

“By bringing investing and business principles to philanthropic funding, the Scale Up Fund is driving incredible results.”

Marianne Kleiberg
Chair, The Nature Conservancy UK Foundation

The Fund supports The Nature Conservancy’s most promising conservation programmes in Africa and around the globe, enabling the charity’s collaborative approach — which engages local communities, governments, the private sector, and other partners — to tackle biodiversity loss and climate change.

Working with CAF, a long-standing Charitable Trust donor directed a seven-figure donation to the Scale Up Fund. The donor, who is interested in supporting research and innovation, uses the Charitable Trust as an alternative to running a private foundation, working to accumulate and grow their philanthropic capital over the longer-term. As a result, when the opportunity to support The Scale Up Fund was presented, the donor could gift funds tax effectively.

Corporate Giving

Throughout CAF's history, we have connected the private sector with charities to power social progress. In the UK and North America, we support and advise businesses to make a positive difference to the causes that matter to their people and customers, and in the communities in which they work.

We believe that inspiring and enabling more businesses to give — and to give more strategically for the long term — could be transformative for the charitable sector. This drives our approach to corporate giving.

PROVIDING EXPERT SUPPORT

We help organisations to build successful business cases for giving, develop their strategies and programmes, engage their people and deliver their donations worldwide. Our experienced advisers, insight-led services and global network of verified charitable organisations enable businesses to achieve the positive change they want to see.

CREATING OPPORTUNITIES FOR PROGRESS

The companies we work with are ambitious about their giving, but they are also exposed to the uncertainty and change of the wider business environment.

So, throughout 2024/25, we have continued to make the case in the media, to government, and by engaging employees at all levels, for greater, more long-term and strategic corporate giving.

Our insights powered discussions at major events, including COP29 and Anthropy, where we explored what it means to be a responsible business and the role giving to charity plays. Also, at the World Economic Forum in Davos, we highlighted how innovations in finance and tech can position philanthropy to achieve meaningful long-term social change.

CORPORATE GIVING 2024: THE FTSE 100 AND BEYOND

CAF's annual Corporate Giving report analyses giving by the FTSE 100 and, for the first time in 2024, the wider UK business community. The report looks at corporate giving both as the outright sum of money donated and as a percentage of profit.

£1.82BN
IN 2023

Total donations by the FTSE 100.

8.3%
YEAR ON YEAR

Adjusted for inflation, the decline in FTSE 100 donations.

75%

Of UK businesses, beyond the FTSE 100, did not support charities in 2023.

£5BN
A YEAR

The extra amount charities could receive if all companies gave at least 1% of pre-tax profits.



Nurturing Habitats and the Next Generation of Marine Biologists

CASE STUDY

Native oysters and seagrass are vital to healthy marine ecosystems, but both are under severe threat. Seawilding is a charity located in western Scotland, working to change that. With a core team and dozens of local volunteers, the charity is pioneering the UK's first community-led seagrass and native oyster restoration projects, with the aim of restoring lost biodiversity, sequestering carbon and creating green jobs.

Thanks to support from CAF America's donors, Seawilding was able to welcome three interns to its restoration team. They made an immediate impact — boosting oyster cage cleaning by 150%, increasing seagrass seed collection by 30%, doubling capacity for underwater surveys, and through freeing up the core team to run more outreach activities, helping to triple public engagement during their time with Seawilding.



Engineering Social Impact through Employee Engagement

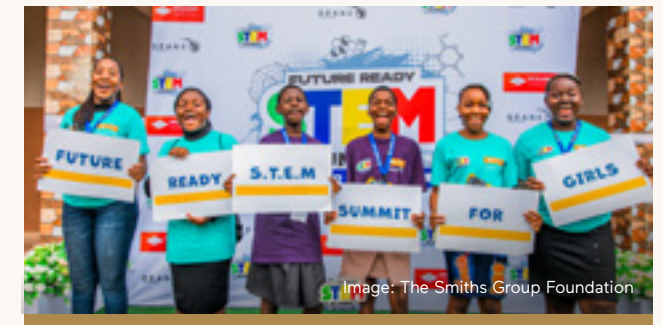
CASE STUDY

In 2023, Smiths Group, a global pioneer in engineering, decided to empower its employees and drive positive change in communities that aligned with the company's core purpose of engineering a better future.

To bring this vision to life, the company launched the Smiths Group Foundation with £10 million in funding, focusing on improving access to STEM education for underrepresented groups, strengthening community safety and connectedness, and enhancing environmental sustainability.

Achieving coherence across the Smiths Group's different regions was a key challenge that CAF helped solve, designing an innovative grantmaking programme supported by a clear, structured giving strategy — that enabled employees to play an active role.

Together, we identified high-impact causes, assessed applications and worked with grant holders to measure outcomes. To date, the Smiths Group Foundation has awarded over £1.5 million to 19 organisations in 11 countries, with employees actively supporting the causes through funding and volunteering.



“We’ve brought together a passionate team of Smiths volunteers to establish and manage our Foundation... Our partnership with CAF has been a key factor in our success.”

Hannah Constantine

Corporate General Counsel, Smiths Group
and outgoing Chair, Smiths Group Foundation



ACHIEVING GREATER SOCIAL VALUE

As the expectations, language and metrics around corporate giving shift, we are talking to Business for Societal Impact, B Lab and other leaders in social impact to assist our corporate donors — who are embracing world-class standards and frameworks — to shape, measure and report on their giving.

POWERING EMPLOYEE ENGAGEMENT

As businesses seek to engage their employees, charitable giving offers them a powerful way to inspire and connect colleagues globally and within hybrid workplaces.

Launched in 1987, Give As You Earn (GAYE) enables employees to give to any charity in the UK directly from their pay before Income Tax is deducted. This reduces the amount of tax they pay and can encourage them to give more. Crucially, donations made through payroll giving often provide charities with a regular source of income.

As a pioneer of payroll giving in the UK, we are passionate about promoting its benefits. Throughout 2024/25, we strengthened our links across HR networks and employee engagement forums to raise awareness of how employee giving and our matching solutions, can help to deepen an organisation's culture.

We have also shared a suite of tools to help businesses boost employee giving and leverage the value payroll giving generates.

STRENGTHENING OUR IMPACT

CAF's corporate client team in the UK was a finalist for Team of the Year at the 2024 City AM Dragon Awards for Social Impact — recognised for their dedication to achieving extraordinary philanthropic, cultural or social impact.

THE YEAR AHEAD

We plan to:

- Continue working with influential organisations across sectors, to amplify the message that giving is a crucial part of a responsible business strategy — making the case for more businesses to donate at least 1% of their pre-tax profits.
- Amplify the work of our Impact Accelerator, ensuring that clients who need our support have access to our strategic advisory, grant-making design and social investment services.
- Drive further engagement through Give As You Earn to make it even more accessible, across pensioners, executives and pooled employee funding for charities.

KEY HIGHLIGHTS FOR CORPORATE GIVING DURING 2024/25

CORPORATE DONORS

£71.2M

paid out to charities worldwide.

EMPLOYEE GIVERS

£61.8M

received from GAYE donors.

Driving Change in Society Through Giving

For the Skipton Group, giving is a way to live its values and do tangible good. In 2022, the Skipton Group committed to giving away 1% of its pre-tax Group profits and continues to do this each year.

Shifting its approach from making a higher number of smaller donations throughout the year, the Skipton Group has aligned its giving around three strategic pillars reflective of its history, purpose and the major issues colleagues want to help tackle. These are: helping people have a home; championing warm and efficient homes, particularly for those living in fuel poverty; and enhancing financial education and wellbeing.

With CAF's support, the Skipton Group's strategic partnerships with charities provide clear oversight of where its money goes and the impact it has. Formalising Skipton Group's giving in this way enables it to engage its members and employees, while the evidence flowing back demonstrates its commitment to societal change and highlights what more needs to be done.



“It’s a really powerful initiative [to donate 1% of pre-tax profit]: all businesses have a social dimension. Company law and corporate governance are evolving more and more to consider the impact businesses have on stakeholders, including wider society.”

David Travis
Group Secretary and General Counsel,
Skipton Building Society

CASE STUDY

HELPING SOCIAL PURPOSE ORGANISATIONS TO THRIVE

CAF is committed to enabling giving with greater purpose and impact, helping social purpose organisations become more inclusive and resilient, and collaborating with funders to create an environment where philanthropy and civil society can thrive.



4.

Central to CAF's purpose is our belief in the value of charities, social enterprises and community groups, and the difference they make.

As CAF's centre of excellence for impact, our Impact Accelerator team provides strategic impact advisory services, grantmaking and social investment expertise. Over the past year, we have continued to embed this valuable support across our services.

Our advisory offering includes research and analysis, strategic development, tools for measuring and communicating impact, diversification of income streams, and improvements in governance. We assist donors in achieving their philanthropic goals, in line with the needs of the communities they support. For corporate clients, this includes strengthening their employee and stakeholder engagement.

With the goal of boosting resilience, we advise social purpose organisations on best-practice approaches and can provide much-needed flexible financing, through social investment loans and grants.

Lastly, the Impact Accelerator team also drives impact at CAF, defining our theory of change and ensuring impact is at the heart of our roles as a service provider, adviser, innovator and influencer.

Together, we have reinforced our impact framework — measuring our progress in achieving CAF's mission across three outcomes:

- More philanthropic capital driving positive change.
- More resilient and inclusive social purpose organisations.
- A more enabling policy environment for giving.

CHARITY RESILIENCE INSIGHTS

Our Charity Resilience Insights look at how charities are experiencing and responding to sustained economic and social pressures. In May and June 2024, CAF surveyed 784 charity leaders as part of wider research with ACEVO, ACOSVO and Co3.

54%

Of charity respondents said that demand had increased "a lot" in the last 12 months, up from 46% in 2023.

75%

Of charity leaders' time is taken up on average, with solving day-to-day problems.

50%

Named increased competition for funding and donations as a top challenge.

45%

Flagged concerns around financial sustainability.

“We held our staff development day, [reviewing] much of what we had covered with CAF. The staff are now feeling part of one organisation... and are on the journey to move forward, inspired and motivated. [Their feedback] is wonderful to hear.”

C2C Social Action,
A criminal justice charity

Strengthening Charity Resilience

We work to give charities the strategic insight, tools and assistance they need to be resilient and ready for the future.

Through our extensive research and advisory work with social purpose organisations, we have identified six characteristics that demonstrate an organisation’s potential to be resilient:

- 1. Understanding purpose.
- 2. Being financially and operationally fit.
- 3. Evidencing impact.
- 4. Prioritising people and culture.
- 5. Being well-networked.
- 6. Having external awareness.

In March 2025, we launched our Charity Resilience Calculator. Powered by our research insights, the calculator is an online tool designed to help social purpose organisations assess and better understand where they need to build resilience.

Charities can then benchmark their results — which spotlight strengths and opportunities for improvement — against others of similar sizes and the wider sector.

Transparent, Fair and Accessible Grantmaking

CAF delivers grant programmes on behalf of clients, in addition to in-house programmes funded by discretionary legacy funds granted to CAF to enable the acceleration of social progress.

In 2024/25, the Impact Accelerator launched the latest of CAF’s resilience building grant programmes, all of which offer unrestricted funding, tailored advisory support, access to webinars, peer learning and networking opportunities.

The Arley Youth Programme is a two-year grant programme designed to support organisations working with young people in the Bristol area. CAF made eight awards totalling £625k.

The organisations are receiving unrestricted funding, restricted funding to invest in the resilience of their organisation, and direct support from CAF’s advisory service who work closely with the organisations to build capacity and find solutions that will strengthen each organisation’s resilience in the long-term.

Small and medium-sized organisations working to assist refugee and asylum seekers and working to mitigate health inequalities will also have the opportunity to access similar support through the Building Resilience Fund in the future.

Social Investment

Research shows that the UK social impact investment market in the UK grew by 7% to £10bn in 2023. In the UK, social impact investment delivers impact across pressing social and environmental issues, while providing a financial return to investors. Social investment funds — like CAF’s Venturesome Impact Fund — which pool funding from our donors, play an important role in the social investment ecosystem.

CAF has been a social investment pioneer since 2002. We lend to social purpose organisations from funds made available by individuals, businesses and other charitable foundations to build their earned income streams. As the social purpose organisation repay us, we use the same funds to lend to other organisations looking for affordable, flexible finance.

During 2024/25, thanks to the generosity of donors, including CAF’s individual and corporate donors, and other charitable foundations, our Venturesome Impact Fund — in its inaugural year — launched with £10 million of philanthropic capital and has funded 18 social investments.

Leveraging our deep, long-standing expertise in social investment, the Impact Accelerator can also design and deliver bespoke social investment programmes for private donors, companies and government.

“Taking out social investment with CAF has truly enabled the work we do and is positively impacting the lives of numerous young people with SEND.”

| CAF Investee

“[This is a] fantastic way of helping charities with short-term funding requirements at this difficult time, especially as it is unsecured. It is one fund that can help many charities so helps with [the] diversification of my gifting, with CAF undertaking all the screening and due diligence.”

| CAF Donor

INSPIRING CAREERS

Inspire Education Business Partnership (Inspire), a charity dedicated to connecting education and business to create opportunities for young people, awarded CAF’s Impact Accelerator Grantmaker of the Year.

During 2024, Inspire achieved a major milestone, reaching 25,000 young people across London and the South-East with its careers education programmes. The award recognises CAF’s role in supporting young people through impactful partnerships, including our work with Inspire’s funder, Smiths Group Foundation.



Supporting More People Affected by Brain Injury

CASE STUDY

Brains Matter is a charitable social enterprise assisting adults affected by brain injury from accidents or illnesses. They provide a Community Wellbeing Service offering one-to-one support, social groups and an activity centre. As the result of the COVID-19 pandemic, the charity experienced a fall in revenue, with people unable to attend paid-for, and in-person, sessions. Grant funding also became limited.

Brains Matter applied to the Venturesome Impact Fund for a blended finance package (part unsecured loan/part grant) to support working capital, strengthen income streams and rebuild the charity's reserves.

This funding enabled Brains Matter to increase in-person sessions, provide ad-hoc telephone support, grow client intake, promote networking and recruit a new employee. It has also been able to launch an employment support service, helping people move into voluntary and paid jobs — or even start a small business — improving their confidence and well-being.

“Working with CAF has been amazing. The team has been really helpful and they understand how hard it is for charities at the moment. Support from CAF has allowed us to manage our cashflow and look at developing new services.”

Kevin Bottrell
Charity Manager,
Brains Matter



Image: Esteem

Securing a Space for Young Adults

CASE STUDY

Esteem offers a range of free, group activities and one-to-one support for people aged 14-26. At its heart is a safe, inclusive space, shaped around each young person's needs, built on trust, support and respect.

A haven for hundreds of young people, the charity's council-owned base was under threat of being sold due to its age and condition. To secure the property for the long-term, Esteem would need to raise around £500,000 — equivalent to its annual income — within 12 months of the building being put on sale. This fundraising goal became the focus of Esteem's collaboration with CAF's Impact Accelerator, as part of the Lloyds Bank Foundation's development programme.

Our advisers worked with Esteem's CEO, colleagues and Trustees to establish an intentional culture of philanthropy across the charity — giving them the space, insights and frameworks to develop a strong case for funding support, with messaging aligned to their values and target audiences.

“CAF's advisers have given us a really strong foundation to build on. Being able to talk about their involvement felt like we had had a rubber stamp when we had any conversations with stakeholders, such as the council and the high-net-worth individuals we are trying to engage.”

Cat Vizor
Chief Officer, Esteem

FOSTERING A FAVOURABLE GIVING ENVIRONMENT

In collaboration with the CAF International Network of partners as well as other social purpose organisations, influential sector bodies, multilateral organisations and policymakers, CAF uses its expertise, influence and reach to enable greater and more impactful giving locally, nationally and globally.



CAF's work and history — connecting donors, charities, government, and other leading sector bodies — places us at the centre of the giving world. Together, we leverage these relationships, the unique insights they give us, and our industry-leading research to inform our work, help amplify the voice, needs and ambitions of the charity sector, and enable civil society to thrive globally.

The CAF International Network is made up of independent non-profit organisations that are rooted in their communities, and experts in their region — with influence and reach spread across six continents. Through collaboration, network partners work to power global giving and help shape global philanthropy discourse. Together, we are committed to build a global culture of giving that:

- Empowers local communities, enabling those who are most affected by issues to lead the way in developing solutions.
- Fosters collaboration and innovation across sectors and borders.
- Ensures that resources are directed where they are needed most.
- Leverages diverse perspectives to create sustainable impact.

Our Network partners share knowledge on urgent, and emerging, causes as well as the shifting global landscape, to deliver impactful support for the global communities we serve.

Alongside this, our expert teams in the UK and North America work with donors to ensure their gifts reach their intended charitable causes safely and securely around the world, in compliance with the highest regulatory standards. We promote local expertise and best practice approaches, to achieve agile targeted and community-led interventions where they are most needed.



“Through CAF’s global platform, the Pakistan Centre for Philanthropy (PCP) is able to amplify its mission of promoting accountable and impactful philanthropy. We greatly value the collaboration, knowledge exchange and shared commitment to enabling more effective giving worldwide.”

Shazia Maqsood Amjad
Executive Director
PCP



Revitalising the UK’s National Culture of Giving

The decision to give is always a complex one, made up of an individual’s or business’s circumstances, their connections, experiences and the information they have at their fingertips. No one should be compelled to give, nor should giving substitute for the state, but governments — through policy, regulatory and legislative incentives and encouragements — are able to create environments that make giving, and more impactful giving, more likely.

A PLATFORM FOR ACTION

When we say that philanthropy and charitable giving has rarely been so important, it is grounded in our Charity Resilience insights. And when we express concern that people in the UK might be getting out of that habit of giving, it is because of our latest UK Giving Report findings.

Published in March 2025, we found that, although the UK public reported giving a record £15.4 billion in donations and sponsorship in 2024, this has been driven by fewer people giving more. For the first time, the split between those who give and those who do not was 50:50. That equates to six million fewer people giving today than five years ago. If the current trend, which pre-dates the pandemic and cost-of-living crisis, continues then next year, we expect giving to have become a minority activity in the UK.

At the same time, our Corporate Giving Report and our High Value Giving research highlight the untapped potential for giving in the UK. All our advocacy work is grounded in our own experience and research, allowing us to set out our vision for a renewed British culture of giving.

A COLLABORATIVE EFFORT

No one can change the world alone. We work in collaboration with our sector colleagues to make the case for change. In 2024/25, in the UK, we have continued to advocate for a joined-up, strategic framework for the incentivisation and encouragement of greater and more impactful giving, under the umbrella of a National Strategy for Philanthropy and Charitable Giving.

We are proud to have worked with the Beacon Collaborative and a multiplicity of other organisations in the philanthropy sector to do this, including the Association of Charitable Foundations, UK Community Foundations, Pro Bono Economics and New Philanthropy Capital.

We chose to mark our centenary by supporting a series of Big Listen events run by the Centre for Social Justice (CSJ) around the country — in Liverpool, Leeds, Loughborough, Newcastle and Bath — to bring together 220 local charities, foundations and philanthropists. This set out a blueprint for greater local giving in a landmark report published by the CSJ in March, making a series of recommendations to government on how it could unlock billions of pounds worth of additional resource focused on social impact.

Our coalition building has not just been limited to the philanthropy sector. We are proud founder members of the new Impact Economy Collective, which brings together organisations that represent social investment and responsible business. The aim of the collective is to facilitate greater dialogue between the three sectors and government, and to work to demonstrate the practical ways that government can encourage and work alongside socially motivated capital.

A Conversation at the Heart of Government

Since the UK General Election, working with our sector colleagues, we have taken the conversation about philanthropy and charitable giving to the heart of government.

The autumn brought a commitment from the Culture Secretary to draw up England's first place-based philanthropy strategy, which is potentially a key pillar of a national strategic framework for giving. We have worked with government to examine what this could mean, including at a ministerial roundtable on philanthropy in November.

We welcomed the announcement in the Chancellor's Autumn Budget of a new vehicle to encourage social investment and have been engaged in its development

and in wider, related issues through our involvement in an advisory group that was set up later in the year by the Chief Secretary to the Treasury and Culture Secretary. The work of this group has been the focus of our advocacy work, along with other members of the Impact Economy Collective, throughout the second half of 2024/25.

We have supported, and endorsed the outcome of, the much-needed work that NCVO and ACEVO have led, to develop with Ministers and officials a new Covenant to reset the public sector's relationship with civil society and the impact economy.

RAISING OUR GLOBAL AMBITIONS

As the global giving landscape shifts, the CAF International Network is evolving too. We are:

- Extending our international reach by engaging with prospective new Network members.
- Targeting audiences and partnerships, who can help us to further our impact.
- Leveraging opportunities to lead the conversation about global philanthropy, wherever we can.

More broadly, we are strengthening CAF's strategic links with global membership bodies and multilateral institutions, such as the UN, Global Philanthropy Forum, World Economic Forum and Philea to create a robust and dynamic network of international stakeholders.

In support of this, CAF was honoured to host the first European member gathering of the Asia Venture Philanthropy Network (AVPN), Asia's leading network of social investors.

Held in London in March 2025, the forum connected representatives from Accenture, the Anglo American Foundation, Impact Europe, Standard Chartered Foundation, the Bechtel Corporation and others, to exchange learnings and identify opportunities for impactful cross-border collaborations.

In April 2025, CAF America connected philanthropic leaders, funders and changemakers from around the globe for the ninth annual International Grantmaking Symposium. Focused around the theme, Move Forward Together: Cross-Border Grantmaking for Impactful Partnerships, delegates took part in interactive workshops and panels — networking, debating and learning from each other.

DRIVING GLOBAL DEBATE

At the 2024 United Nations General Assembly, alongside UNHCR, CAF led a discussion among thought leaders to examine how collaboration across sectors with philanthropic organisations can strengthen resilience and the delivery of essential relief efforts. Drawing

“CAF has been an invaluable partner in bringing global, future-focused perspectives to the GPF community... their insight and collaboration have enriched our shared understanding of where philanthropy and charity is headed around the world.”

Sarah Howard
Managing Director, Global Philanthropy Forum

on its critical role providing emergency aid and long-term support to refugees, UNHCR shared how humanitarian operations could be enhanced.

And with Concordia, we linked up the public and private sectors to focus on the future of financing for impact, exploring the potential for innovative and sustainable funding to make a lasting difference in the pursuit of the UN's Sustainable Development Goals.

At the beginning of 2025, CAF joined a panel of experts during the World Economic Forum 2025 to explore how innovations in finance and technology can drive meaningful solutions to global challenges, position philanthropy as society's “risk capital” and drive greater impact across sectors.

This was followed by the Global Philanthropy Forum Leaders Summit in March, where we contributed alongside our International Network partners, Instituto para o Desenvolvimento do Investimento Social Instituto para (IDIS) and PCP, and other sector experts to interrogate how philanthropy can strengthen communities.



Our World Giving Research

Since 2009, CAF's World Giving Index has provided an annual snapshot of generosity around the world. The study offers a unique insight into how people engage in social activities for the benefit of their communities and champions the growth of global giving. In 2025, the World Giving Index is evolving to become the World Giving Report. This will provide deeper insights into the public's attitudes and behaviours around generosity across 101 countries and territories.

WORLD GIVING INDEX 2024

#1 INDONESIA

Ranked as the world's most generous country for the seventh year running.

£4.3BN

People gave their time, money or helped someone they didn't know in 2023, equivalent to 73% of the world's adult population.

75

Countries improved their World Giving Index score in 2023.

EMERGENCY HUMANITARIAN EFFORTS

Throughout 2024/25, in collaboration with organisations, such as the Disasters Emergency Committee in the UK, and a global network of validated charities, CAF and our donors have helped to provide essential support to those impacted by disasters and crises around the world.

From responding rapidly to the devastating earthquake in Myanmar, the wildfires in Los Angeles and Valparaíso, and floods in Nepal, Valencia and Rio Grande do Sul, to addressing the aftermath of the escalating violence and unrest in Haiti and the ongoing humanitarian crisis in the Middle East, the funds generated are helping to provide urgent life-saving assistance, alongside reinforcing long-term recovery plans.

One of the most challenging aspects of responding to disasters and humanitarian crises around the world is the need to act quickly with limited information.

In September 2024, CAF America launched the Global Relief Navigator, a one-of-a-kind innovative grantmaking solution that enables donors to make safe, compliant gifts to validated disaster response and relief organisations.

The navigator allows US donors to track disaster events and the trusted organisations responding to them in real time. Donors can make informed decisions and confidently support programmes to provide immediate relief or long-term rebuilding, all in compliance with often complex regulations.

Since launching the Global Relief Navigator, as of May 2025, CAF America had financed grants of over \$3.7 million in disaster relief funding, supporting 49 organisations as they responded to 24 disasters or crises around the world.

CASE STUDY



Image: Hope for Haiti

One Year on in Haiti

Over 12 months since gang violence and political instability surged in Port-au-Prince, triggering widespread disruption across Haiti non-profits continue to deliver critical support and stand with their communities despite the ongoing conflict, and other threats.

Over the past year, CAF America facilitated US\$244,000 in grants to organisations operating in Haiti — such as Fondasyon Konesans ak Libète (FOKAL), Hope for Haiti, Respire Haiti, and the Haiti Development Foundation — supplying essential funding for vital educational initiatives in schools, livelihood and leadership programmes, healthcare and food security projects.

“We’re immensely grateful for our partnership with CAF America and the generosity of its donor community.”

Skyler Badenoch
CEO, Hope for Haiti

The Transformative Power of Food Aid in Kraków

CASE STUDY

For the past five years, CAF America has helped our donors support Kraków Food Bank to fight food insecurity and reduce food waste. The charity’s mission is simple but vital, to rescue surplus food from producers and retailers, and deliver it to individuals and families in need through a wide network of local partners.

From emergency food parcels for refugees and homeless people to innovative dignity-based programmes like The Good Store, Kraków Food Bank works to make sure that no edible food goes to waste and no one goes hungry.

At The Good Store, people can select groceries just as they would in any other supermarket and pay for them using a points-based card provided by the food bank. There is also a small cafe space, offering support and a welcoming community.

Since opening in 2022, The Good Store has distributed over 114,000kg (251,000lbs) of rescued food, valued at more than PLN 1.63 million (US\$405,000). The food is sourced from local retailers, producers and distributors, preventing food waste while meeting a growing humanitarian need.



Image: Kraków Food Bank

“CAF America has played a critical role in our ability to respond to growing food insecurity in Poland and Ukraine. Their support has allowed us to scale life-saving food aid programmes, respond to humanitarian crises, and help thousands of individuals regain stability.”

Beata Ciepla,
Chair, Kraków Food Bank

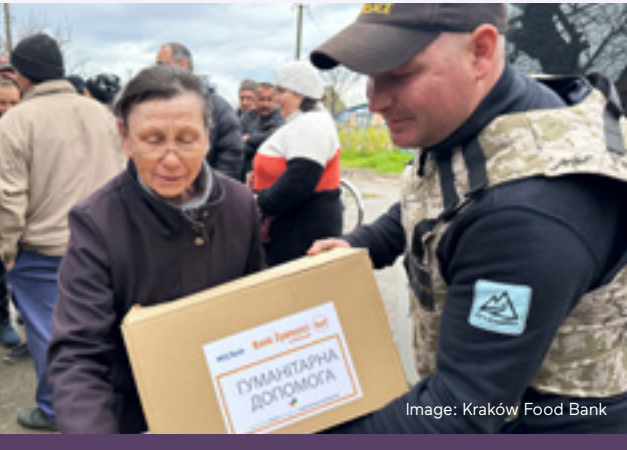


Image: Kraków Food Bank

Shaping a Just Future

CASE STUDY

Since opening 14 years ago, the Museum of Memory and Tolerance in Mexico City has welcomed over 5.8 million visitors. Through powerful exhibitions and educational programmes, it confronts prejudice, illuminates human rights abuses and promotes social responsibility.

During the Covid-19 pandemic, the Museum was forced to close to the public for more than a year. However, with funding from CAF America, it was able to retain its essential visitor service and quartermaster teams to keep the Museum operational and safe during that time.

Since 2021, CAF America has provided ten grants totalling US\$57,000 to the museum, and the organisation’s impact on education is both deep

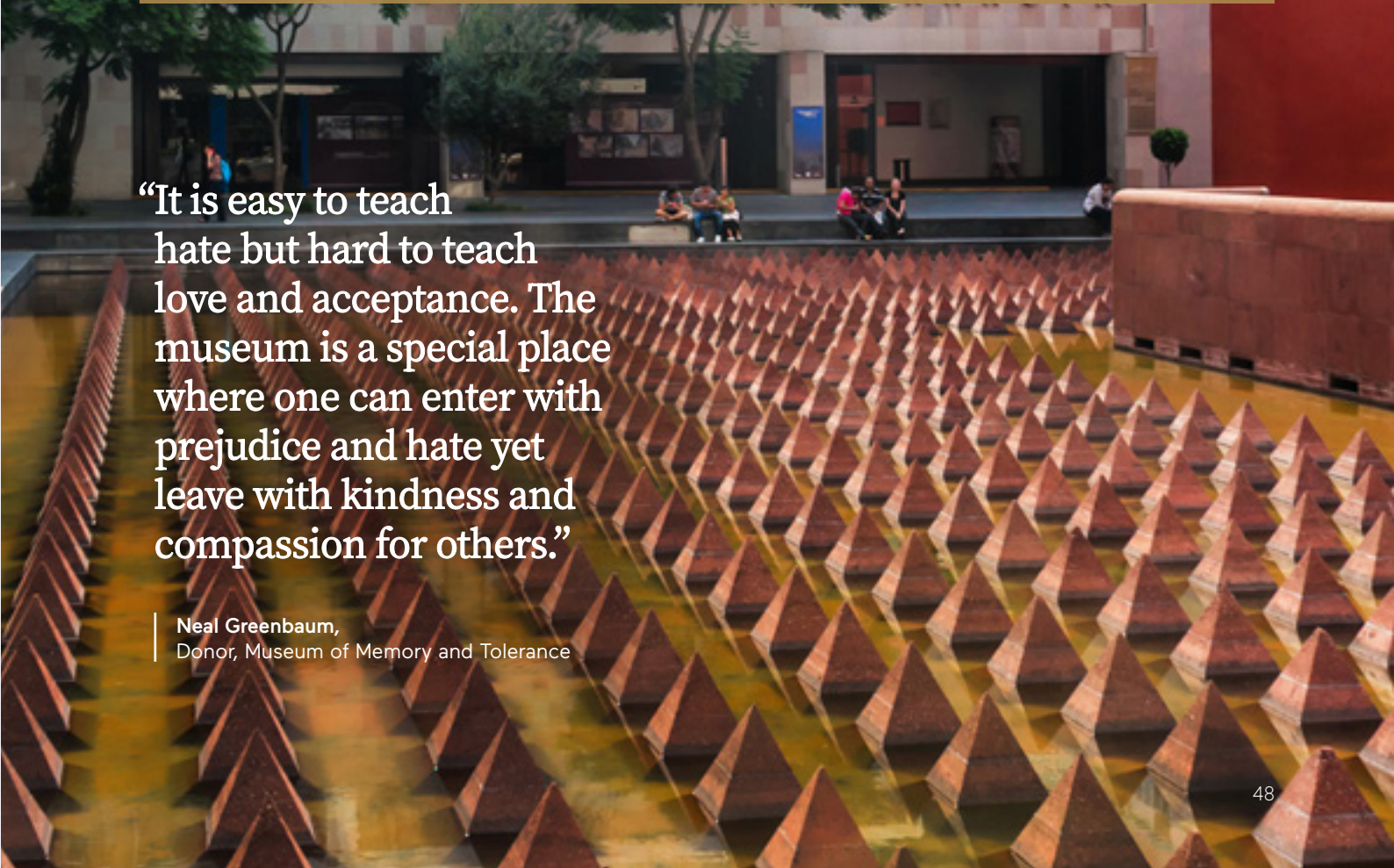
and wide-reaching. More than 193,000 children have participated in sponsored tours, 244,000 teachers have brought students, and 300,000 virtual visits have expanded its reach. Online, a digital community of over one million followers continues to engage with its message.



Image: The Museum of Memory and Tolerance

“It is easy to teach hate but hard to teach love and acceptance. The museum is a special place where one can enter with prejudice and hate yet leave with kindness and compassion for others.”

Neal Greenbaum,
Donor, Museum of Memory and Tolerance



CHARITY FINANCIAL SERVICES

In the UK, CAF owns CAF Bank Limited and CAF Financial Solutions Limited (CFSL). Both organisations help charities to manage their finances and funds so they can continue to do their life-changing work.

CAF Bank is all about banking with purpose and is dedicated to meeting the banking needs of charities and social purpose organisations, of all sizes and cause areas.

CFSL — CAF Bank's sister organisation — offers charitable investors a range of funds that incorporate Environmental, Social and Governance (ESG) outcomes, alongside a focus on financial returns.



For more than 40 years, CAF Bank has supported its charity customers by understanding their challenges and sharing their values. Today, CAF Bank remains committed to expanding its reach and improving its services to further the impact of UK charities at home and beyond.

Around 45% of CAF Bank’s customers are small organisations. This means that most of the people CAF Bank colleagues talk to are volunteers rather than finance professionals. Drawing on an experienced customer service team, CAF Bank understands the range of support its customers need and shapes the organisation’s strategy and objectives to reflect this.

STRATEGY AND OBJECTIVES

CAF Bank’s aim is to be the preferred bank for charities of all sizes, and colleagues work to:

- Maintain a financially robust and sustainable business model to protect customers’ deposits.
- Deliver continual improvements in customer service and efficiency.
- Grow the business.

A COMMITMENT TO EXCELLENCE

CAF Bank colleagues’ dedication to their customers and causes was recognised when CAF Bank was named Best Bank and Best UK Charity Bank Account in Charity Excellence’s Charity Bank Account Survey 2024.

The survey of charity banking customers also found CAF Bank to be top-rated both for overall performance and in responding to customers. Similarly, the team were Highly Commended in the Best Charity Banking Provider category at the 2025 Business Moneyfacts awards, which celebrates excellence across the whole of the UK’s business banking and finance sector.

A MULTI-YEAR TRANSFORMATION

As the 2024/25 financial year closed, CAF Bank was working on completing the first phase of its digital modernisation project. This multi-year transformation programme brings together substantial investment in a new core banking platform and further develops the organisation’s banking proposition.¹

The new platform will enable CAF Bank colleagues to continue to deliver the tailored service, security and expertise that charities need and deserve, while ensuring they can meet more charities’ banking needs.

STRATEGY AND OBJECTIVES	
R	Redesign tailored banking for charities.
I	Impact civil society by enabling charities to do more of their life-changing work.
S	Scale sustainably to serve more charity customers.
E	Expand and diversify our product suite and customer base.

¹ CAF Bank’s transformation programme was implemented following the end of the 2024/25 financial year, going live on 9 June 2025.

Many charities are still repairing their finances after the Covid-19 pandemic and the cost-of-living crisis, challenges that have been made harder to navigate by a new wave of economic volatility and geopolitical uncertainty. In support, CAF Bank’s customers can benefit from access to CAF’s Charity Resource Hub, which provides tools, guidance and inspiration to help build charities’ resilience.

Further to this, CAF Bank was proud to be part of a working group co-ordinated by UK Finance, exploring ways to improve access to dedicated banking options for charities, and recognising the need for a stable financial environment to support their vital work. This project has since concluded with the publication of the Voluntary Organisation Banking Guide.

As a charity bank, CAF Bank operates under the same regulatory and governance standards as any other financial institution. It has integrated the Consumer Duty principles into its business decision making and welcomed the Financial Conduct Authority’s (FCA) new regulations ensuring financial firms prioritise customer needs and provide fair value, clear communication and strong consumer protection.

TACKLING FRAUD

Financial crime is a growing threat to charities and the impact can be devastating. CAF Bank is dedicated to providing a safe and secure bank for charities.

Through its specialist support and expertise, CAF Bank works to protect its customers from financial crime so they can focus on what matters most. Its online [security centre](#) offers fraud prevention support for everyone.

From staying ahead of the latest scams to following simple fraud prevention tips, experts provide essential insights to help keep funds safe.

A GREENER SECTOR

Research commissioned by some of the UK’s leading charities in 2023, found that almost 80% of the UK public said that charities have a responsibility to be environmentally sustainable.

CAF Bank’s green loans have been designed to empower charities and social purpose enterprises to achieve their sustainability goals while channelling funds into environmentally beneficial projects. During 2024/25, three housing associations — Clydebank, Sutton and Calvay — secured green loans from CAF Bank, to help them build a greener, more sustainable future for their organisations and the communities they serve.

In addition, CFSL offers innovative deposit products that help charities manage their savings efficiently and effectively.



CAF BANK'S YEAR AT A GLANCE

PROFIT BEFORE TAX:

£14.7M

DRAWN AND COMMITTED
LOAN BALANCES:

£283M

CUSTOMER DEPOSITS:

£1.45BN

PHONE CALLS HANDLED:

75,020

LOANS ADVANCED:

£41.5M

CUSTOMERS:

14,388

(as at 30 April 2025)

FASTER PAYMENTS MADE:

2.19M+

CUSTOMER ACCOUNTS:

25,857

(as at 30 April 2025)

Tackling Fuel Poverty

CASE STUDY

A Glasgow-based housing association is reducing its residents' energy bills following a major upgrade, made possible with support from CAF Bank and the Scottish Government.

Calvay Housing Association secured a £2.77 million Green Loan from CAF Bank, plus additional funding from the Scottish Government's Social Housing Net Zero Heat Fund, which together totals £4.8 million.

The funds are being used to upgrade 267 of Calvay's 860 units in the East End of Glasgow. The work will include installing new temperature and humidity sensors, wall insulation and net-zero heat pumps, which will help residents reduce their energy use.



Image:
Calvay Housing
Association

“This is a major project, which will benefit Calvay’s tenants for years to come. We know fuel poverty is a major issue for many of our tenants and the external wall insulation will make our homes both easier and cheaper to heat.”

Steven Blomer
Chair, Calvay Housing Association



Providing Life-Saving Search and Rescue Services

CASE STUDY

Saving lives, supporting the emergency services and educating people on how to stay safe across more than 5,000 square-kilometres of Northumbrian countryside is no small task. But the Northumberland National Park Mountain Rescue Team (NNPMRT) do so regardless of the time, date, or weather.

Requiring specialist equipment and facilities to undertake their life-saving search and rescue services, the team needs the right financial planning in place to ensure they have the funds to continue their vital work. Investing in IFSL CAF ESG (Environmental, Social and Governance) Funds helps them do that.

Entirely run by volunteers, NNPMRT members respond to approximately 100 incidents each year. They also donate 4,000 hours a year to support the team's governance, administration, training, fundraising, and vehicle and equipment maintenance.



Image: Northumberland National Park Mountain Rescue Team

“Having financial security is paramount in ensuring we can support the public and colleagues in other emergency services. Working with CAF gives us that security.”

Iain Nixon
Team Leader, NNPMRT



Image: Northumberland National Park Mountain Rescue Team

Responding to
100
incidents a year



Image: Northumberland National Park Mountain Rescue Team

BUILDING A LEADING, GREAT AND SAFE PLACE TO WORK

Our ambition is for everyone at CAF, no matter where they are based, to feel involved in shaping our future and equipped to help us make an even greater, positive impact together.

7.



Unifying Our Global Workforce



Our One CAF Strategic Plan aims to enable our colleagues across the UK and North America, to collaborate and operate as One Charities Aid Foundation — a more unified, agile and innovative organisation equipped to maximise the value we bring to donors, charities and wider society.

To realise our ambitions, we are making strategic investments in our people, processes, technology and data, and aligning — as well as streamlining — our systems, operations, ways of working and governance structures. Integral to our success is the delivery of CAF's Global People Plan, which is unifying CAF's workforce around our shared purpose, organisational objectives and values to deliver an employee experience like no other.

In 2024/25, we acted to:

- Improve our attraction and recruitment practice to ensure equity, transparency and fairness in all aspects.
- Strengthen our onboarding experience for those joining our organisation, including developing a more seamless day-one experience and easy-to-access information for those starting their journey at CAF.
- Enhance our talent management and career development practices, such as rolling out our Management Development Framework in the UK and aligning our organisation development approach across our global operations.
- Reinforce and promote our dedicated support for colleagues' physical, mental and financial wellbeing.
- Continue to make sure our reward framework drives and delivers equity of pay and recognises employees' achievements, through service milestones, awards and seasonal celebrations.

SPOTLIGHT ON NORTH AMERICA

CAF America has implemented several key initiatives that have significantly enhanced internal operations and improved staff retention. Recent updates — including a revised compensation strategy, the launch of a new performance management programme, and the implementation of a standardised onboarding process — have collectively led to a notable reduction in staff turnover.

Jessie Kraft was confirmed in post as President and CEO of CAF in North America in 2024/25, with a comprehensive organisational redesign also completed, focusing on decentralising authority and streamlining workflows. This positions CAF America to operate with greater agility and effectiveness as it continues to grow.

In addition, CAF Canada marked a major milestone by appointing its first in-country Managing Director, Joanne Kviring. This new leadership role will enable deeper focus on the unique philanthropic landscape in Canada and support the continued growth and development of our work across the country.

To celebrate these accomplishments and align around future priorities, staff from CAF America and CAF Canada, along with the CAF America Board, gathered in Washington, D.C. in March for All Team Days. The event celebrated a successful year and officially launched the planning phase for the implementation of the One CAF Strategic Plan.

The CAF Global People Plan

OUR PEOPLE MISSION

Establish CAF as a leading, great and safe place to work, wherever our people are located around the world.

OUR PEOPLE STRATEGY

Find great people and keep them, optimising retention so individual colleagues and our teams can perform to a consistently high standard in the work they deliver for CAF.

OUR COMMON BOND

Our strength as CAF is found in the breadth and depth of diverse skills, knowledge and experience that our community of people possesses.

OUR EMPLOYEE EXPERIENCE

Design and develop an employee experience like no other that brings together our worldwide workforce aligned to one CAF mission.

OUR VALUES

Move forward together

Act with integrity

Shape the change



Image: CAF

CAF Together

In 2024/25, we established our CAF Together programme, led by a working group of colleagues representing CAF in the UK and North America, and CAF Bank.

We want to build a culture at CAF that is recognised for fostering high-performing, purpose driven teams, where everyone feels a sense of belonging and plays an active part in enabling our organisation to be the best it can be.

Our CAF Together working group supports us in this, through:

- Providing thoughts and feedback to our Chief People Officer on issues of culture, fairness and belonging in the workplace, for example, recruiting, hiring and retaining our people effectively, and career development.
- Gathering people-related data and insights, as well setting, reviewing and monitoring the progress of measurable objectives.
- Helping to raise awareness among colleagues, alongside creating opportunities to promote fairness and belonging in the workplace.

CAF EMPLOYEE SURVEY 2025

In January 2025, we ran our annual employee survey, combining results from our UK and North American workforce for the first time. In total, 87% of colleagues participated.

93%
Are willing to go the extra mile to help CAF succeed.

87%
Felt the work they do is important to CAF's success.

90%
Feel proud to work for an organisation that has CAF's purpose.

Our Approach to Pay

As part of the CAF Deal for employees, we aim for our pay approach to be:

- Competitive
- Transparent
- Fair and equitable

To achieve this, we pitch our base pay at the competitive market median. On an annual basis, we externally evaluate and benchmark the scope, grade and pay range of each role, working with an independent reward specialist to capture accurate salary-survey, market pay data and trends.

In the UK, CAF is accredited as a Living Wage Employer. This means we are committed to paying all our employees at least the real living wage, which is independently calculated based on the cost of living.

CAF links its performance management framework to the organisation's end-of-year performance — recognising high performance and behaviours aligned to our values in a fair and transparent way.





THE GENDER PAY GAP

We are committed to meeting the UK pay gap norms for both median and mean.

As of 5 April 2024, in the UK, our median gender pay gap was 25.9%, in favour of men. This compares with the national median pay gap of 13.1% (Office for National Statistics). Our mean pay gap was 26%, compared with a UK mean of 13.8% (Office for National Statistics).

For 2024, there was a 0.4 percentage point increase in the mean average and a 1.9 percentage point decrease in the median average when compared with 2023.

When comparing 2024 with 2017, there was a 2.0 percentage point decrease in the mean average and an 8.3 percentage point decrease in the median average.

As part of our 2024 analysis, we worked with external experts to complete a deeper, more detailed review of our UK data and the insights it generates will feed into our action plan for the year ahead.

OUR ANNUAL PAY AND CAF DEAL REVIEW

CAF is committed to delivering a highly competitive reward offer, as part of our work to be a leading, great and safe place to work. Our annual pay review assesses the pay of current employees and their roles against market data, accounting for our financial performance and other external data.

This has included externally benchmarking pay across our UK workforce, increasing paid holiday days, and enhancing the BUPA Cash plan benefit for everyone. Over recent years, we have delivered one-off cost-of-living payments, as well as a 5% uplift to basic pay in May 2022 and 2023 respectively. Last year, we provided an average 3% uplift in pay.

Throughout the last 12 months, we have witnessed challenging economic conditions that the UK has sought to navigate through, including an increase in National Insurance contributions towards the end of the financial year, which is having a significant impact on employers. Considering these factors, the pay award being made to our UK workforce across all grades for year 2025/26 is 2%, effective from 1 May 2025.

OUR EMPLOYEES' VOICE

The Employee Council acts as a voice for our UK employees to the CAF leadership team. Its mission is to promote workforce engagement, boost performance and foster development across CAF by actively engaging with colleagues on key corporate matters and empowering people to voice their opinions. Comprising dedicated volunteers elected to the Employee Council, they ensure that every part of the organisation is represented and heard.

SAFEGUARDING

Everyone at CAF is responsible for ensuring the safety and protection of our colleagues and those who use or benefit from the services we provide. Our Safeguarding and Vulnerability policy applies to all CAF entities and employees, as well as those who use or benefit from the services we provide.

As our policy makes clear:

- The welfare of individuals is paramount.
- Everyone has the right to be protected from harm.
- We take all allegations, suspicions of harm and concerns seriously and respond to them swiftly, fairly and appropriately.
- We expect everyone to work in partnership to promote the safeguarding of individuals in all areas of CAF's work.

Employees can raise a concern in whatever way they feel comfortable, in confidence and without fear of repercussion or victimisation affecting their position within CAF. For example, they can speak to their line manager, our Employee Council, a HR representative and/or member of our Risk and Compliance team in confidence. They can also refer to our Raising Concerns (Whistleblowing) Policy, which explains how an employee can raise a serious concern confidentially through an independent third-party service, NAVEX.

OUR PROGRESS TOWARDS GREATER SUSTAINABILITY

CAF's purpose is to accelerate progress in society towards a fair and sustainable future for all. It is important, therefore, that we place our responsibilities to the environment and natural world at the forefront of how we operate and the support we provide.

We are committed to becoming a more sustainable organisation and achieving net zero across our UK operations by 2050. This includes those within CAF Bank. However, we recognise that this commitment is just a starting point for the focused and continuous work we need to do as an organisation to achieve it.

Since 2023, as part of our work to develop a sustainability roadmap for CAF, we have focused on improving our data capture capabilities and understanding. Informed by a review of our Scope 1 and 2 emissions, we are now rolling out our next phase of actions to reduce CAF's carbon footprint.

For example, we are currently reviewing our forward-looking property plan in the UK, with a focus on long-term sustainability. Our London office already runs on 100% renewable energy. While, at CAF's Kings Hill office, we are set to transition from 60% to 100% renewable energy sources by October 2025. Plans are also underway to install a solar energy system at this site, which will reduce our emissions even further.

Other measures include a commitment to:

- Continually review and improve our environmental performance, embedding an environmental management system across our organisation and environmental management best practice within our operations.
- Integrate sustainable and circular procurement and sourcing into our processes, using our buying power to select solutions that meet our sustainability criteria. For example, we have worked with our employee pension provider to make sure that our Default Fund (the default fund that employees' pension contributions go into) is now 98% ESG-aligned.

- Raise colleagues' awareness of environmental issues through training and communications, encouraging environmentally responsible behaviour.
- Expand our measurement approach in the future to include Scope 3 emissions.

CAF's operations in the UK qualify for the Energy Savings Opportunity Scheme (ESOS), which is a mandatory energy assessment scheme. Following compliance with our phase-three obligations, we are now finalising our phase-four measures. Further information about ESOS compliance is available via www.gov.uk.

CAF BANK

CAF Bank provides transactional banking services and lending to charities and social purpose organisations.

CAF Bank only lends money to charities and social purpose enterprises. Therefore, it does not provide any financing to companies whose operations involve fossil fuel extraction, processing or sale, and/or traditional petrol or diesel vehicle manufacturing. CAF Bank reviews its lending criteria and policies on a regular basis to ensure these standards are upheld.

Since 2003, CAF Bank has provided green loans, which are aligned to the Loan Market Association's Green Loan principles, to help charities finance environmentally beneficial projects.

Internally, CAF Bank recognises the risks and opportunities that environmental change and the transition to a lower carbon economy present to its organisation, as well as the charities and social purpose organisations it serves. In response, CAF Bank has developed a comprehensive environment and climate risk register and integrated the physical and transition risks associated with climate change into its Enterprise Risk Management Framework.

In addition, CAF Bank maintains a conservative portfolio of treasury investments that is governed by the Bank's internal Treasury Policy. This details what CAF Bank will and will not invest in, as well as the ESG considerations that apply when making investment decisions. CAF Bank's treasury portfolio is subject to quarterly screening through the publicly available Sustainalytics ESG risk-rating tool.



SUPPORTING DONORS AND CHARITIES' SUSTAINABLE AMBITIONS

Where we can, CAF aims to assist social purpose organisations and donors to achieve their sustainability goals through our products and services.

This includes facilitating greater and more impactful gifts, as well long-term giving programmes, for corporates, individuals and families committed to promoting environmental causes.

CFSL also offers a range of funds that incorporate ESG outcomes alongside a focus on financial returns.

Our Venturesome Impact Fund provides flexible and affordable repayable finance to charities, social enterprises and community groups all over the UK, working to deliver a fairer, more sustainable future.

FINANCIAL REVIEW

The challenges charities continue to face are significant.

While many charities are working to rebuild their finances after the Covid-19 pandemic and the cost-of-living crisis, they are now faced with continued economic volatility and geopolitical uncertainty. Many are operating within a landscape shaped by inflationary pressures, rising service demand and reductions in public funding. At the same time, our research indicates long-term declines in individual giving and volunteering, particularly among younger generations, which further strains resources.



Despite the challenging economic and financial conditions for charitable giving in the UK and around the world, 2024/25 has been a record year with donations of £1.2 billion paid by CAF to charities around the globe. This is thanks to the generosity of the donors we work with and comes at a time when philanthropy and charitable giving have never been more needed.

We have continued to maintain good control of our costs, with the stability of CAF’s position helped by income from interest earned as rates have remained higher for longer than anticipated. Growth in income has again been notable in CAF America, particularly from third-party giving platforms. This has allowed us to achieve greater impact working with our donors and partners, and at the same time invest in the future of our organisation.

CAF’s accounts are consolidated and, therefore, include the income, costs and balance sheets of its subsidiaries in the US, Canada and the UK. The principal subsidiaries are CAF Bank, CAF America and the CAF American Donor Fund. The primary sources of unrestricted income arise from operating donor advised funds, together with income earned from financial assets and interest on loans. Restricted income consists predominantly of donations to donor advised funds in CAF (the Charity), CAF America and CAF American Donor Fund, and from legacies. The group balance sheet consists primarily of the unrestricted and restricted charitable funds of the Charity and of its subsidiaries, together with donor client balances where the Charity is acting as agent as well as CAF Bank depositor balances.

RESTRICTED FUNDS AND DONOR CLIENT BALANCES

Donations received by the group and subsequently paid to charities represent the principal movements in our restricted and donor client balances. The restricted funds principally relate to donor advised funds operated in the UK and North America. CAF America also receives donations from third-party giving platforms. Donor client balances consist of donations received by CAF and subsequently paid to other charities through CAF Give As You Earn and CAF Donate.

We have illustrated earlier in this report how the value of funds we have sent to charities around the world has exceeded £1.20 billion (2024: £1.13 billion). The continuing generosity of donors using our services in the UK, US and Canada enabled this level of support, with donations received exceeding £1.34 billion (2024: £1.15 billion).

At 30 April 2025, restricted funds held in respect of our donor advised funds, offering flexibility for donors to suggest onward donations at a later date and to maintain philanthropic capital, increased to £1.99 billion (2024: £1.85 billion). Restricted funds benefited from the high level of receipts, particularly in the US and from the addition of investment income of £24.5 million (2024: £23.8 million). Despite the increased market volatility in the latter months of 2024/25, our financial investments benefited from gains of £16.4 million (2024: gains of £73.5 million) contributing to their aggregate market value rising to £1.04 billion at 30 April 2025 (2024: £979.6 million), and total assets growing from £1.87 billion to £2.00 billion.

Our donor client balances, which reflect donations in the course of processing for CAF Give As You Earn and CAF Donate, stood at £3.9 million (2024: £6.2 million).



	Income from donations, legacies, grants & investments		Donations payable to charities	
	2024/25 £m	2023/24 £m	2024/25 £m	2023/24 £m
Restricted funds and donor client balances				
Restricted funds per Group Statement of Financial Activities (SOFA)	1,277	1,089	1,134	1,065
Donor client balances (note 21 to the Financial Statements)	108	107	70	68
less: CAF Give As You Earn receipts transferred to restricted funds and included in the Group SOFA	(42)	(41)	(1)	(1)
Net donor client balances	66	66	69	67
Total	1,343	1,155	1,203	1,132

CAF BANK LENDING

Although the economic environment remains challenging, committed loans and advances to customers continued to grow in 2024/25, rising from £255 million as at 30 April 2024 to £283 million as at 30 April 2025. Within this total, loans to charities and social housing organisations increased by £41.5 million, following continuing demand from registered housing associations in particular. Social housing associations represent 69% of our drawn lending book by value (2024: 62%).

We maintain a pipeline of lending opportunities: as at 30 April 2025, CAF Bank had £26.5 million of loans approved pending final agreement and commitment (2024: £32.2 million).

Given the inflationary environment and ongoing cost-of-living pressures, CAF Bank has continued to monitor and analyse both the collective and specific loan provisions. The quality of the loan book remains strong. As at 30 April 2025, the collective provision is determined as £1.2 million (2024: £1.8 million). The cost of living and the inflationary environment have impacted charities directly and through their donor base. This has resulted in specific provisions of £1.0 million at 30 April 2025 (2024: £0.6 million).

CAF BANK LIQUIDITY, INVESTMENT PORTFOLIO AND CAPITAL

CAF Bank’s liquidity position remains strong. As at 30 April 2025, 42.4% of deposits were held in unencumbered cash, almost all deposited with the Bank of England. In addition, CAF Bank holds a long-term investment portfolio that consists of high-quality bonds, primarily AAA-rated, equating (unencumbered) to a further 47.1% of deposits. This portfolio is held to maturity and is measured at amortised cost.

Historical rises in bond market interest rates following the Covid-19 pandemic resulted in an unrealised mark-to-market loss on the investment portfolio. Given that bond positions are held to maturity, this mark-to-market loss remains hypothetical and would only be realised if CAF Bank sold the bonds. At 30 April 2025, the unrealised mark-to-market loss was £7.5 million, down by £15.9 million from £23.4 million at 30 April 2024.

In August 2023, CAF Bank issued £15 million of subordinated debt to CAF. Given continued positive financial performance, in April 2024, CAF Bank repaid £10 million of the subordinated debt, and the remaining £5 million is expected to be repaid to CAF in the 2025/26 financial year.

UNRESTRICTED FUNDS

At 30 April 2025, group unrestricted funds stood at £115.2 million (2024: £98.5 million), an increase of £16.7 million (2024: £14.4 million).

Total income increased to £113.2 million (2024: £106.1 million). The Bank of England base rate started the year at 5.25%, falling to 4.50% by the end of the financial year but revenue has remained reasonably consistent with last year. CAF Bank’s net interest income for 2024/25 was £45.5 million (2024: £44.8 million). Investment income, including interest receivable, grew marginally to £30.0 million (2024: £29.3 million).

For many years, CAF and the group were impacted by low interest rates. Although now falling away from their peak of 5.25%, rates have remained higher for longer than anticipated. This has afforded us additional income enabling us to mitigate the effects of inflationary increases on our costs and to pursue, with greater confidence, our plans to make sure our operations in the UK and North America are in good shape for the future.

In addition to the costs of the further scaling up of activity and the impact of inflation, total expenditure of £94.0 million (2024: £91.4 million) also includes costs for the initial steps of our One CAF Strategic Plan. This is in addition to costs associated with CAF Bank’s digital modernisation programme delivering CAF Bank’s biggest-ever transformation in June 2025.

Transfers from restricted funds during the year were £2.3 million (2024: £3.2 million). These include transfers from funds for which the original donor or legator had not provided, including upon their death, or has ceased to provide suggestions for the onward distribution of funds. These and other funds transferred from restricted funds are applied for the general charitable purposes of CAF.

In June 2024, CAF injected a contribution of £0.8m into its defined benefit pension scheme. The scheme was established in 2015 solely to receive a transfer from a multi-employer plan of which CAF had been a participating employer and it has been closed to new employees and further benefit accrual from its establishment. After receiving the necessary advice and following receipt of a quote that was considered affordable, the trustee of the scheme entered into a buy-in policy with an insurer in June 2024. The policy covers all remaining uninsured liabilities of the scheme. This transaction was facilitated by the contribution paid to the scheme by CAF.

The charity recorded a net movement in unrestricted funds of £4.5 million, increasing from £66.1m as at 30 April 2024 to £70.6m at the balance sheet date, after recognising £4.6 million (2024: £0.6 million) of legacy income. These funds will support CAF’s future growth and transformation plans.

RESERVES AND CAPITAL POLICY

CAF’s policy is to maintain across the group, but not exceed, an appropriate level of reserves and capital to support the activities of the group, considering the risks to which the group is exposed, existing and projected future levels of income and expenditure, and the capital requirements of its regulated subsidiaries.

CAF’s reserves comprise unrestricted funds. The policy and determination of the required level of reserves are set in accordance with Charity Commission guidelines and are reviewed at least annually by Trustees.

In considering its Reserves and Capital Policy, CAF also includes debt capital, which is amortised over a 10-year period prior to redemption or refinancing. Debt so regarded as capital is capped at 15% of CAF’s unrestricted funds.

In determining the appropriate level of reserves and capital, Trustees consider the risks inherent in our financially based activities, including credit risk, liquidity risk and interest rate risk, along with other risks to which CAF and the group are exposed. They also consider future capital requirements and changes in our operating environment, including regulatory changes, which may also impact the level of retained reserves or the levels of reserves we are required to maintain in the future.

Our objective is to remain strong, maintain good control of our costs and take mitigating action where it is possible, so we can offer the maximum support to the charities and donors we serve. We, therefore, continue to take a prudent approach to the levels of capital and reserves maintained.

Although the recent higher interest rates have been beneficial for the group because of the significant level of liquid assets held, the Trustees are mindful of factors that may negatively affect the group in the future. In the current context of the UK economy, a further rapid significant decline in short-term interest rates is not currently anticipated. However, if it were to arise, it would have a negative impact on the group in the medium- to longer-term once deposit rates, which have already been locked in for shorter periods, have matured.

Past economic crises experienced since 2008, however, provide evidence that individual donors who chose to give via CAF and the group are resilient and giving remains broadly protected from economic changes. Therefore, the Trustees and respective boards and committees of CAF and its subsidiaries continue to closely monitor these matters and to work with their respective Executive Committees to identify actions to mitigate the impact should such pressures arise.

Group and charity unrestricted funds, which represent our reserves, stood at £115.2 million (2024: £98.5 million) and £70.6 million (2024: £66.1 million) respectively. This level of reserves at 30 April 2025 is considered to be sufficient to support the ongoing activities and development of the group and the charity.

CAF INVESTMENT POLICIES AND PERFORMANCE

Overview and governance

CAF adopts investment policies appropriate to the nature of the funds for which the investments are held. The policies set out CAF’s risk appetite for investments including liquidity, credit, large exposures, concentration and interest rate risks. Investment policies are approved by CAF’s Trustees and the boards of its subsidiaries. They are monitored by the Investment and Finance Committee (IFC).

Policies

CAF UNRESTRICTED FUNDS

Other than investments in CAF’s subsidiaries, the Charity’s unrestricted funds are primarily invested in cash deposits. CAF assesses its liquidity reserves requirements and places deposits with a range of counterparties within credit, liquidity, interest rate and large exposure risk appetites. CAF may also invest unrestricted funds in gilts, supranational and investment grade bonds. CAF’s policy is to hold investments to maturity.

CAF CHARITABLE TRUSTS
RESTRICTED FUNDS

The Investment Policy allows CAF Trust funds to be invested to meet the longer-term donor-advised philanthropic objectives. The investment risk appetite is appropriate for the charitable purposes of the funds. This portfolio consists of investments often held over the longer term, comprising UK and global investment funds, equities, bonds and cash deposits. CAF Trust investments are held and managed directly by CAF or managed by third-party investment managers taking into account donor suggestions aligned with their philanthropic objectives.

OTHER CAF RESTRICTED FUNDS

Other restricted funds principally comprise balances held by CAF pending onward donation to other charities. CAF assesses liquidity requirements to ensure funds are available to meet donations and grants requested by donors, and invests funds with a range of counterparties within approved credit, liquidity, interest rate and large exposure risk appetites. CAF invests restricted funds in gilts, supranational and investment grade bonds, and cash deposits / certificates of deposit. CAF’s policy is to hold investments of other restricted funds to maturity.

Measurement and performance

Performance of investments held for unrestricted and restricted funds is reported to the CAF Executive and the IFC at least three times a year. Performance is compared to benchmarks for individual funds where these have been agreed. Key Risk Indicators monitor the position of portfolios against agreed risk appetites.

Subsidiaries

Investment policies of subsidiaries are determined and managed by their respective boards, taking into consideration regulatory and other requirements.

The measurement and performance of investments by these subsidiaries are set out in their respective Annual Report and Accounts.

GOING CONCERN

In order to assess the appropriateness of the going concern assumption basis, the Trustees have considered the group’s and the charity’s financial position, liquidity, unrestricted reserves and forecasts for the foreseeable future, taking into account the principal risks to which the group and the charity are exposed, and the ongoing cost-of-living crisis and geopolitical uncertainties.

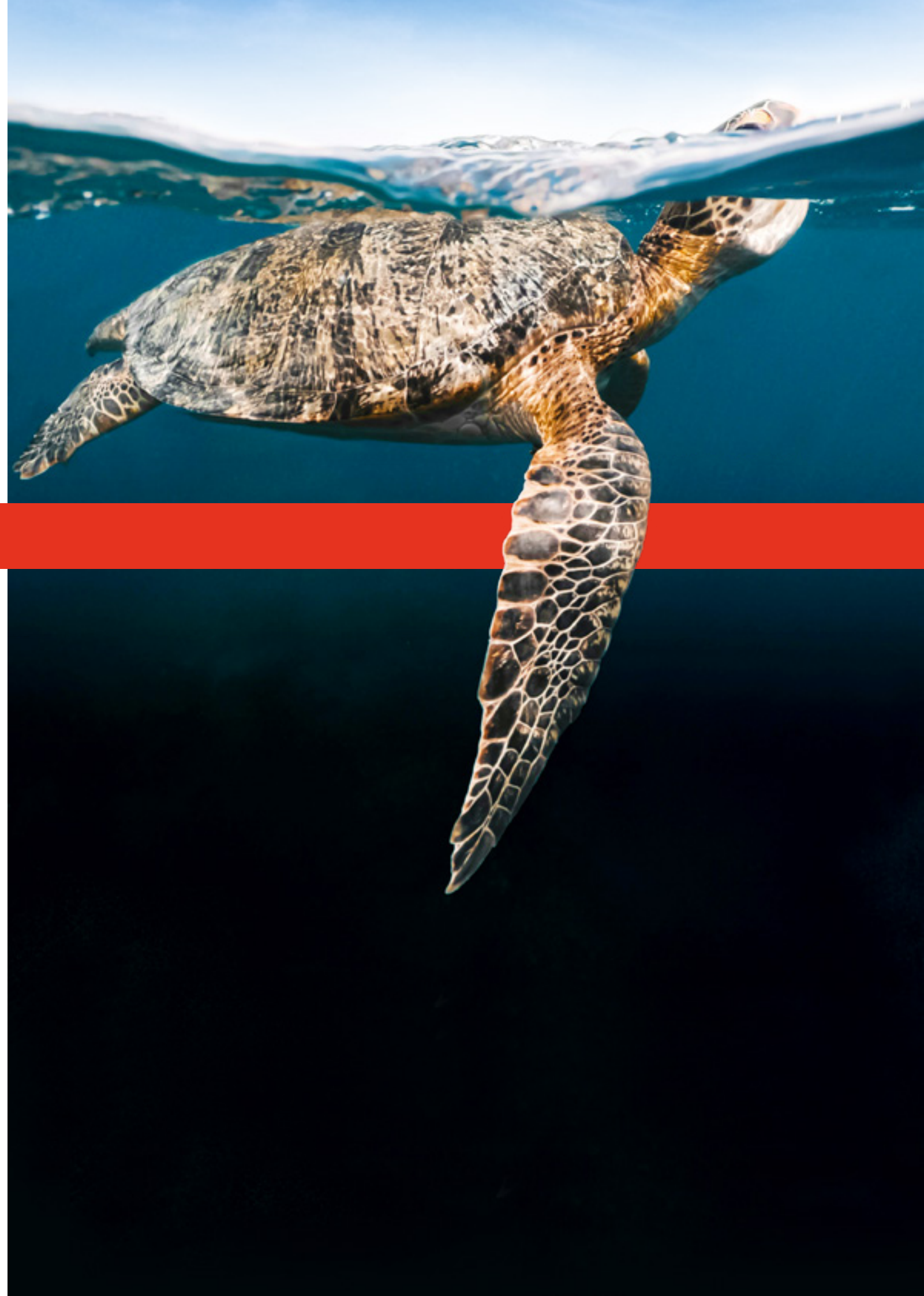
The Trustees and boards of CAF subsidiaries have considered the impact of severe but plausible stress scenarios on each group entity and the effectiveness of management actions that might be taken to mitigate the impact of these stresses. Trustees and boards of subsidiaries have also considered the circumstances under which operations of each group entity would be unable to continue.

Accordingly, and after making appropriate enquiries, the Trustees have a reasonable expectation that the group and the charity will be able to continue in operation and meet their liabilities as they fall due for at least 12 months from the date of signing this report. For this reason, they continue to adopt the going concern basis in preparing the financial statements.



STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charities Aid Foundation is a registered charity (number 268369) and is governed by a Declaration of Trust dated 2 October 1974 (as amended from time to time). Details of CAF's Board of Trustees and Executive are listed on page 161 of this Annual Report.



CAF Trustees

The Board of Trustees is the body responsible for the management of CAF and is required to consist of:

- No fewer than eight Trustees appointed by resolution of the Trustees.
- The Chair of NCVO.

The Board meets at least four times a year. All Trustees are non-executive and none of them receive remuneration from CAF. Trustees are appointed to hold office for a term of three years. Except for the Chair of NCVO, no Trustee may hold office for more than three consecutive terms.

All newly appointed Trustees are required to undertake an induction programme delivered by General Counsel and Secretary to the Trustees and the Chief People Officer. The induction is in two parts and delivered across two dedicated sessions. The first of these focuses on governance, the role of the Trustee and their responsibilities. The second focuses on the organisation, how it is designed, the business plan, key themes and performance measures.

A Board effectiveness framework is designed around a three-year programme broken down into the themes of key knowledge on the duties related to governance in year one, the assessment of Board skills, knowledge and experience in year two and a formal external review and validation in year three. The Trustees delegate management responsibilities to the Chief Executive, as well as delegate certain functions to the committees described in chapter nine. Each sub-committee has specific terms of reference and a chair appointed by the Trustees. The Trustees may strengthen the committees by co-opting experts in the relevant field where appropriate. This delegation is overseen and monitored by the Trustees by requiring regular reporting from the Chief Executive and the subcommittees to the Board of Trustees.

Board of Trustees

Meeting attendance: 1 May 2024 to 30 April 2025	Meetings attended	Maximum
Sir James Leigh-Pemberton (Chair)	5	5
Sir Ernest Ryder (Vice Chair and Chair, Nominations Remuneration and Culture Committee)	4	5
Dr Priya Singh (Chair, NCVO)	2	4
Meredith Niles (Chair, CADF)	5	5
Michael Ashley (Chair Audit, Risk and Compliance Committee)	4	5
Sabine Everaet	3	5
Owen Pringle	4	5
Robert Vogtle (Non-Executive Director, CAF Bank) (Chair, Investment and Finance Committee (Appointed as Chair January 2025)	5	5
David Shalders	4	5
Sir Edward Braham (Chair-Elect) (Appointed February 2025)	1	2
Janet Pope (Chair, CAF Bank) (Resigned as a Trustee September 2024)	1	1
Cyrus Ardalan (Chair, Investment, Finance and Impact Committee / now Investment and Finance Committee, and Chair, CFSL) (Retired as a Trustee November 2024)	2	2
Robert Dench (Resigned as Trustee February 2025)	1	2

Trustee Biographies

SIR JAMES LEIGH-PEMBERTON CVO

Chair

Sir James is Chair of the Council of the Duchy of Lancaster. Previously, Sir James was Non-Executive Chair of RIT Capital Partners and Chief Executive Officer of Credit Suisse in the UK and held several senior roles within the organisation. Prior to joining Credit Suisse, he was a Director of S.G. Warburg. He is currently Trustee of The Duke of Lancaster’s Foundation and The Alnwick Garden Trust.

RT HON SIR ERNEST RYDER

TD, PC, DL, Vice Chair, and Chair, Nomination, Remuneration and Culture Committee

Sir Ernest became Master of Pembroke College, Oxford, in 2020. He was previously Senior President of Tribunals and Lord Justice of Appeal for the UK. Sir Ernest is a Deputy Lieutenant and was formerly Deputy Chair and Trustee of the Nuffield Foundation and Chair of the Administrative Justice Council.

DR PRIYA SINGH

Priya is Chair of the National Council for Voluntary Organisations (NCVO). Priya has a background in general practice, specialising in medical law, ethics and patient safety. Following an executive career with a leading international mutual indemnity organisation for healthcare professionals and organisations, she is Chair of NHS Frimley Integrated Care Board, Chair of Buckinghamshire, Oxfordshire and West Berkshire ICB, and Executive Director of the Society for Assistance of Medical Families.

MEREDITH NILES

Chair, CADF

Meredith worked for Goldman Sachs in New York, Frankfurt and London before becoming Investment Director at the Impetus Trust. Meredith later moved to Marie Curie, where she established a fundraising innovation department and was Executive Director of Fundraising and Engagement until 2021. She is currently Deputy Chair of Plan International UK and serves as a Trustee of Trust for London and The Clothworkers Foundation and as a member of the University of North Carolina’s Board of Visitors. She recently co-edited a book, Change for Better, about harnessing insights from behaviour economics to foster greater giving.

MICHAEL ASHLEY,

Chair, Audit Risk and Compliance Committee

Mike has held non-executive roles spanning the private, public and third sectors. Until 2023, he chaired the Audit Committee of Barclays PLC and, until December 2024, he chaired the Audit and Risk Committee of the Cabinet Office. His current roles include being a Trustee and Treasurer at The Scout Association and Trustee at StepChange. Mike is also a member of the UK Endorsement Board. Formerly, he was a member of the Charity Commission Board and International Ethics Standards Board for Accountants and Chair of the Government Internal Audit Agency.

SABINE EVERAET

Sabine is an Independent Non-Executive Director for ING Belgium and Datatec. She is an Industry Partner and member of the Investment Committee at ORAXYS, a private equity firm specialising in financing growth capital and buy-out activities for companies that develop and market environmentally friendly products or services. Sabine serves as Board Chair on one of the portfolio companies. Prior to this, she spent 26 years at The Coca-Cola Company, where she held various IT and digital roles, most recently as Chief Information Officer for Europe, Middle East and Africa.

OWEN PRINGLE

Owen is a partner of Leaders’ Quest, a leadership consultancy that helps organisations to bring strategy, culture and purpose into alignment. Previously, Owen has undertaken senior digital roles at ITN, Sky and Amnesty International, where he was the Global Director of Digital. More recently, he was Chief of Staff to the Secretary General of ActionAid International.

A passionate advocate of diversity, equity and inclusion, Owen is a strategic adviser to Precious, the digital network for women of colour, and was recognised by the Financial Times in their inaugural list of the 100 most influential BAME leaders in technology.

ROBERT VOGTLE

Chair, Investment and Finance Committee

Rob is a Non-Executive Director and Chair of the Risk and Audit committee of DB UK Bank and a member of the Institute of Chartered Accountants of Ontario, Canada. Rob worked for international banks: Citibank, Bankers Trust and Deutsche Bank (DB), most recently responsible for the DB CFO Division across the UK,

EMEA and Asia Pacific countries. Rob was a founding Director of AkarakA Foundation, an international education charity registered in Singapore. Rob is currently Trustee of Community Wholecare Centres, focused on supporting individuals and communities to live a longer healthy life.

DAVID SHALDERS

David is Group Chief Operating Officer at Howden Group Services, HGH Finance Limited and Howden Group Holdings Limited. He was Chief Operating Officer at the London Stock Exchange Group and Group Operations and Technology Director at Willis Towers Watson, having led the integration of Willis and Towers Watson. David spent 19 years at The Royal Bank of Scotland in senior operations and technology roles, including COO, Global Banking & Markets, and Group Head of Integration for the ABN Amro acquisition. He previously held roles at UBS, JP Morgan and Accenture.

SIR EDWARD BRAHAM, Incoming Chair, CAF Trustees

Sir Edward will succeed Sir James Leigh-Pemberton as Chair of CAF from July 2025. Edward has been Chair of M&G plc since March 2022 and was previously the Senior Partner of Freshfields Bruckhaus Deringer LLP, the global law firm. Edward was a leading international M&A lawyer, with experience in many industries including financial services. His other appointments include Chair of The Lord Mayor’s Appeal Board of Trustees, Chair of the Next Generation Leadership Council, The City UK, a Commissioner for Modern Slavery and Human Trafficking and being a non-executive member of the Board of HM Treasury.

NOMINATIONS, REMUNERATION AND CULTURE COMMITTEE

The Nominations, Remuneration and Culture Committee advises the Trustees on the appointment of CAF’s Trustees and of the co-opted members and advisers to the Boards and committees of the CAF group. The committee also makes recommendations regarding the remuneration of members of the Executive Committee of CAF (who form the key management personnel of the group) and other senior members of staff and reviews and agrees the basis for the general pay award to employees. Remuneration and salaries are assessed and reviewed against market rates using third-party data. The committee also reviews the general terms and conditions of employment of our people, including the provision of pension arrangements and the arrangements by which employees may, in confidence, raise concerns about possible improprieties in financial reporting or other matters. The committee meets at least three times a year.

INVESTMENT AND FINANCE COMMITTEE

The IFC is chaired by a Trustee. The purpose of the committee is to provide oversight on strategic investments, and the financial performance of CAF. The committee meets with Senior Management at least four times a year and takes into account our strategic plans, operational activities and guidelines from the Charity Commission for England and Wales (the Charity Commission).

AUDIT, RISK AND COMPLIANCE COMMITTEE

The Audit, Risk and Compliance Committee consists of Trustees and co-opted members with relevant expertise. The committee meets with Senior Management and external and internal auditors at least four times a year. The committee’s purpose is to review and make recommendations on the following on behalf of the Trustees:

- Internal control and risk management systems.
- Effectiveness of internal audit.
- CAF’s relationship with its external auditors.
- Procedures for compliance with anti-money laundering legislation and CAF’s other regulatory obligations.
- Annual report and accounts.

STRATEGY DELIVERY COMMITTEE

The Strategy Delivery Committee (SDC) is a temporary Committee of the Board of Trustees of the Charities Aid Foundation (“Board”), constituted as a committee of the Board on 25 July 2024. It supports the Board in the oversight of the Together Building Opportunity Strategy mid-point refresh. The Committee is not anticipated to be a permanent part of governance and will be dissolved, in agreement with the Board.

THE CHARITIES AID FOUNDATION

The Charities Aid Foundation group consists of CAF in the UK, CAF America, Southampton Row Trust Limited (the CAF American Donor Fund) and CAF Canada.

In addition, to deliver its mission and to comply with the regulatory requirements for the provision of banking and investment solutions to charities, CAF in the UK has created and holds social investments in a number of wholly owned subsidiaries, the largest of which is CAF Bank.

These investments further CAF’s charitable mission, as well as providing a financial return. CAF’s Board of Trustees receives regular updates from the Boards of each entity that is a member of the CAF group. Full details of the CAF group are set out in note 2 to the financial statements.

The CAF International Network is a global collaboration of trusted partners made up of fully independent, robust organisations that share CAF’s mission to accelerate progress towards a fair and sustainable future for all. Each network partner is an expert in their region, giving CAF a unique philanthropic global reach. Our partners provide local knowledge and thought leadership when it comes to donating into their countries and work with us to seek new ways to grow cross-border giving.

This Network currently includes organisations in Argentina, Australia, Brazil, Bulgaria, Ghana, India, Indonesia, Kenya, Mexico, Pakistan, South Africa and Turkey, in addition to our CAF operations in the UK, US and Canada.

PUBLIC BENEFIT AND SOCIETY

CAF’s purpose (as set out in the 1974 Declaration of Trust) is to hold and distribute funds, “For the benefit of such charitable institutions or such charitable purposes wheresoever in the world the same shall be established or carried on as the Trustees shall think fit”. The work we do to accelerate progress in society towards a fair and sustainable future for all is illustrated throughout this report.

CAF contributes to public benefit by working with donors to realise giving with greater impact, thus enabling charities to do more of their life-changing work across borders, and to inspire innovation so civil society thrives.

In the UK, CAF Bank and CFSL help charities to manage their finances and funds so they can continue to support causes and communities that matter to them.

STAKEHOLDER ENGAGEMENT

We recognise and promote the importance of strong relationships with our stakeholders across all our activities, and we are committed to productive, long-term relationships. Throughout this report, we have described how we engage with donors, charities, government and colleagues in the sector, and our employees. Within this section, we include examples of our engagement with two other stakeholder groups.

SUPPLIERS

We recognise that our suppliers are crucial to our success and we understand the importance of maintaining strong lines of communication. Many perform critical outsourced services and are subject to regular formal review. We engage with suppliers regularly throughout the year and feedback is continually communicated and monitored.

REGULATORS

It is within our culture of fairness and transparency to promote high standards of conduct within CAF and with all external parties. In particular, in our role, holding donor funds and customer deposits, their safekeeping and adherence to all relevant aspects of regulation is key to us.

We maintain close awareness of this through engagement with regulators. This engagement is supported by interactions with industry bodies, specialist advisers, regulatory seminars, online forums and round-table events. This has allowed us to remain informed on increasing regulatory requirements and to ensure we operate to the standard required.

CONFLICTS OF INTEREST AND INDEPENDENCE

CAF takes conflicts of interest seriously and has robust policies in place to address them. The purpose is to identify, record, prevent and manage conflicts of interest. It ensures that CAF Trustees and employees avoid situations where their interests conflict with those of CAF or its customers, whether financial or non-financial.

Any conflicts of interest are declared at the beginning of each Trustee, committee, or subsidiary board meeting. There is an annual renewal of policies, and a review is undertaken by Trustees and the Executive to ensure the registers are kept up to date. The Compliance team and the General Council and Executive Director of Governance review and monitor all declarations so that they can be appropriately managed.

In addition to conflicts of interest, CAF also maintains a Gifts and Hospitality Standard and Register. This ensures that any gifts received or offered are transparently recorded, and employees are vigilant about avoiding any influence on business decisions. CAF maintains independence while complying with relevant regulations.

FUNDRAISING

There have been no UK fundraising activities undertaken in the current or preceding year. Charities can use our platform, CAF Donate, to raise funds online and process their donations. Our resource hub also offers guidance to the charity sector on fundraising strategies.

CHARITY GOVERNANCE CODE

In alignment with the Charity Governance Code for large charities, CAF conducted an internal gap analysis in 2020, implementing key recommendations. These included appointing a Vice Chair and introducing a formalised periodic review of the Board’s performance. Both measures have been successfully implemented. In 2023, and in line with the agreed board effectiveness assessment cycle, the Nominations, Remuneration and Culture Committee led CAF’s internal board skills and experience assessment, complemented by an external board effectiveness evaluation completed between December 2023 and March this year. This practice aligns with the Code’s recommendation that large charities assess their board’s performance annually and undergo external evaluations every three years.

The internal review, conducted against the Code’s principles of integrity, equality, diversity and inclusion, was finalised in 2023. The Board believes that CAF’s governance aligns well with the Code. Particular attention remains on areas highlighted by the review. Notably, the Board has strengthened the induction process for new Trustees, enhancing onboarding documents and initial meetings. Additionally, efforts continue to improve Trustee annual reviews and skills audits, ensuring optimal use of Trustee skill sets and informed decisions on diverse Trustee appointments. The Nominations, Remuneration and Culture Committee will be conducting a further ‘one year on’ review in 2025 to track and monitor progress of the actions from the findings of last year’s board effectiveness assessment. In accordance with the Code, the Board will maintain annual internal effectiveness reviews, including evaluating the Chief Executive’s performance. The next external review is scheduled for 2027, reinforcing CAF’s commitment to high standards of governance.

NOMINEE AND CUSTODIANS

The title of property belonging to the charity and its subsidiaries is held as custodian by a range of regulated custodians or by CAF Nominees Limited as nominee for CAF. The directors of CAF Nominees Limited are the Trustees of CAF together with the Group Chief Executive Officer and Group Chief Financial Officer. CAF Nominees Limited holds no assets or liabilities of its own and acts solely as a nominee for CAF, holding the legal title but not the beneficial interest of certain property owned by CAF. The primary custodians responsible for holding investments are Winterflood Securities Limited and HSBC Bank plc.

RISK MANAGEMENT

Risk is overseen by CAF Trustees, CAF Bank Non-Executive Directors, Executive Boards and Senior Management, supported by a dynamic and developing culture of awareness, understanding and practical application of risk management by all employees, wherever they are located in the world.

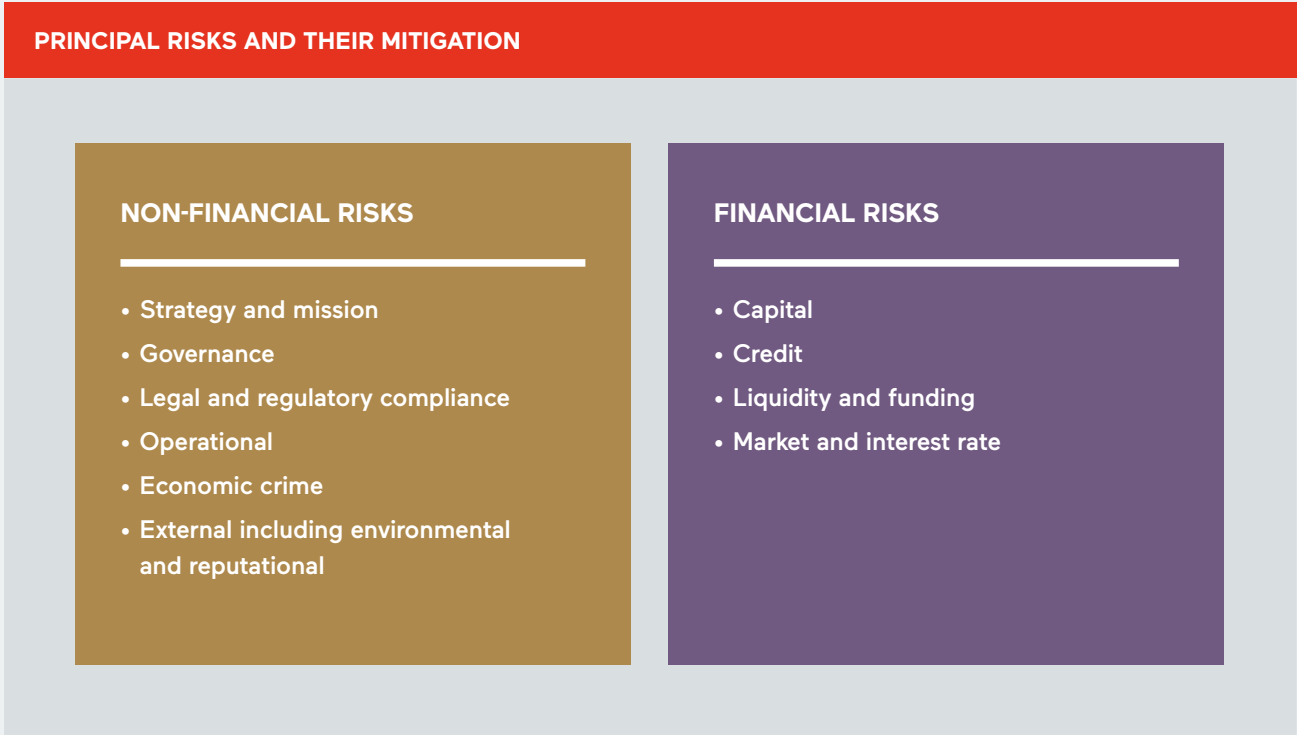
Risk Management Framework

The group operates risk management frameworks that provide oversight and accountability for managing risk across all risk types and at all levels of the group. The frameworks support prudent risk management and decision making, aligned to our objectives and are designed to ensure risk is managed within clearly defined parameters. The control environment aligns to the risk management frameworks and includes a related set of policies, standards, procedures and controls that supports responsible decision making, within the risk appetite of the group, as approved by the Trustees and supported through Executive Boards. These include the CAF Group Executive Committee, CAF Bank Board, CAF America Board, CAF Canada Board, CAF American Donor Fund (CADF) Board and CAF Financial Solutions Limited (CFSL) Board.

Our Trustee and Subsidiary Boards have dedicated supporting risk committees, including the CAF Audit, Risk and Compliance Committee, CAF Bank Executive Risk Committee, the CAF America Finance, Audit and Risk Committee and CFSL Executive Risk Committee. CAF has recently established the Foundation Executive Risk Committee to support risk governance and oversight for the charity activities in the UK, US and Canada. The committee is aligned to the principal risks set out in the Foundation Risk Management Framework which, in turn, are aligned to Charity Commission risk guidance, with Executive sponsorship of each principal risk.

The risk management frameworks operate using a three lines of defence model, separating risk ownership from risk oversight and assurance, with governance provided by formal committees. Further information on the CAF Bank Risk Management Framework can be found in the CAF Bank annual report and is aligned with Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA) requirements.

Developments in the charity sector have seen increased media, public and regulator interest in the operation of charities. The Trustees and Senior Management remain focused on those risks that could adversely affect our reputation and on ensuring that all activities are carried out in a respectful, open and appropriate manner.



NON-FINANCIAL RISKS

Risk	Mitigation
<p>Strategy and mission</p> <p>CAF's objective is to deliver on its Together Building Opportunity Strategy for the future, as supported by the One CAF 2025-2028 Strategic Plan, while ensuring CAF fulfils its obligation and great potential to grow the group's impact sustainably, manage costs and provide a positive customer experience. Contained within this sub-section are the main risks to this objective.</p> <p>Strategic risks are those associated with CAF's ability to deliver its strategic plan and key strategic investments and can include decisions taken concerning the group's ability to meet those objectives. This can include decisions taken in relation to developing products and services, changes in the technological environment and availability of resources and sources of finance to support strategic growth. Our strategy and mission risk recognises the impact of risks that are detailed in other risk areas, for example, changes in our operating environment and external challenges, such as a reduction in UK</p>	<p>Strategy and mission</p> <p>CAF has embarked on a three-yearly cycle of strategic planning, with the current period covering 2025 to 2028 (as per the One CAF Strategic Plan). This process brings together — in one place — strategies and plans for different parts of the group to support successful implementation.</p> <p>Our strategic planning includes the modelling of a range of potential future scenarios in respect of changes in the group's operating environment. Through this, we identify opportunities to further our strategic goals or for the mitigation of any negative impact arising from changes in the operating environment and the external environment more generally.</p> <p>We have identified the proactive steps needed to not only retain but also expand our market share within the current three-year plan. We plan to improve the efficiency of our platform through digitisation, modernisation of our operations and creating economies of scale across the UK and North America.</p>

NON-FINANCIAL RISKS

Risk	Mitigation
<p>Strategy and mission (continued)</p> <p>charitable giving more generally. We recognise the growth in competition, with more digitally enabled, self-service solutions and we have identified the steps needed to retain and increase our market share.</p>	<p>Strategy and mission</p> <p>A detailed approach is taken to budget-setting and the development of financial plans, and these are reviewed and approved by the Trustees and the relevant Boards. Regular detailed financial monitoring is carried out and actions are taken to mitigate against any budget pressures, including effective cost management measures.</p> <p>Our planning processes include the comparison of projected reserves against the level of reserves required to support our ongoing operations and planned strategic growth.</p> <p>We continue to assess and monitor risks associated with evolving legislation as it impacts charitable work.</p>
<p>Governance</p> <p>Governance risk is the risk that CAF has inappropriate governance arrangements in place (including lack of direction, strategy and forward planning) and/or that Trustees and other Senior Management lack the relevant skills or commitment. It includes ensuring committees receive accurate, timely and relevant information.</p>	<p>Governance</p> <p>CAF Trustees, CAF Bank Non-Executive Directors, Executive Boards and other Senior Management are made up of accomplished leaders drawn from financial services, the third sector, the civil service, higher education and multi-national corporations.</p> <p>Their expert scrutiny and strategic direction inform everything we do, including ensuring our compliance and reporting protocols are fit for purpose and that our people feel empowered to raise any concerns about internal practice. They set robust, transparent governance that is upheld throughout the organisation.</p> <p>Our governance structures have been subject to a robust review. Our elected internal Employee Council constructively represents the views of our workforce, offering valuable support to fellow employees and insights to senior leadership.</p> <p>Workforce training is constantly reviewed to ensure everyone at CAF is keenly aware of their own responsibilities to the organisation, and to the donors and charities we engage with. CAF provides training and development opportunities to ensure everyone who chooses to work with us can grow their careers.</p>

NON-FINANCIAL RISKS	
Risk	Mitigation
	Governance (continued) <p>We have a detailed Whistleblowing Policy to ensure employees at all levels of our organisation have both the information and the means to raise any concerns.</p>
Legal and regulatory compliance <p>CAF's objective is to work with all our regulators in an open and co-operative way and to deliver on our commitments.</p> <p>Legal and regulatory risk is defined as the risks associated with a failure to comply with relevant legal and regulatory requirements and can lead to loss of trust, reputational damage, regulatory censure, increased costs and financial penalties. The group aims to comply appropriately with all relevant legal and regulatory requirements and expectations, and monitors for regulatory change, to minimise these risks.</p> <p>CAF and CADF are regulated by the Charity Commission for England and Wales and are required to comply with relevant HM Revenue & Customs tax legislation. CAF and CADF are responsible for ensuring that the charitable funds they receive, administer and distribute are managed in compliance with charity law and the tax legislation relevant to charitable giving and expenditure.</p> <p>CAF is registered with, and supervised by, the FCA for anti-money laundering purposes.</p> <p>CAF Bank is authorised by the PRA and regulated by the FCA and PRA.</p> <p>CFSL is authorised and regulated by the FCA.</p> <p>CAF America is regulated by the US Internal Revenue Service and must also comply with state regulations for registered charities and data privacy protections.</p> <p>CAF Canada (a subsidiary of CAF America) is regulated by the Canada Revenue Agency and must comply with provincial regulations in the provinces where it is registered.</p>	Legal and regulatory compliance <p>Compliance commences at Board level for each group entity. The general tone and expectations are cascaded down through the Executive and Senior Management teams to all areas of operation and are subject to independent oversight.</p> <p>Regular reporting to our group Audit, Risk and Compliance Committee (ARCC), CAF Bank Audit Committee, CAF Bank Board Risk and Compliance Committee (BRCC) and CAF America Finance, Audit and Risk Committee (FARC) includes risks arising out of our charitable activity, operations, such as risk, compliance and economic-crime-related matters, and internal mitigating controls. The committees review and monitor the adequacy of internal controls and report to the Board of Trustees and their respective Boards on significant risks, any identified weaknesses in controls and progress of actions for addressing any such identified weaknesses.</p> <p>Data protection and information governance policies are in place and are reviewed to ensure our internal processes are robust and comply with relevant legislative, regulatory or contractual requirements, including the UK General Data Protection Regulation and Data Protection Act. Data-protection training is compulsory for all employees and is designed to ensure awareness of our duty to protect data and support implementation of our internal policies and procedures on data protection and information governance.</p> <p>The group is committed to ensuring that the appropriate resource is made available to adhere to regulatory requirements. CAF Bank maintain a close and open working relationship with both the FCA and the PRA to ensure they deliver on their regulatory</p>

NON-FINANCIAL RISKS	
Risk	Mitigation
Legal and regulatory compliance (continued) <p>Where the CAF group makes cross-border donations to charities, the local regulations of the receiving country are considered.</p>	Legal and regulatory compliance (continued) <p>commitments. CAF Bank's Risk Management Framework is integral to ensuring it effectively identifies, manages and monitors its risks. CAF America, CAF Canada and CADF maintain protocols for making donations to charities that are regularly reviewed to ensure compliance with legal and regulatory requirements.</p> <p>The CAF America Finance Team is responsible for ensuring appropriate filings are completed with the US Internal Revenue Service, Canada Revenue Agency, and each state (US) or province (Canada) as necessary. For US tax purposes, CADF is treated as a disregarded entity and its activity is reported alongside CAF America. Quarterly compliance reports ensure that these regulatory filings are documented and submitted on time.</p>
Operational <p>Operational risk is the risk of loss to CAF that results from inadequate or failed internal processes, people and systems (including technology breaches), or from external events.</p> <p>CAF group members adhere to UK, US, EU and UN financial sanctions obligations, including those defined by the UK Government Office of Financial Sanctions Implementation (OFSI) and the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury. CAF group entities in the UK (CAF, CAF Bank, CFSL and CADF) are each registered as Data Controllers with the Information Commissioner's Office (ICO).</p>	Operational <p>The group continues to evolve its systems and controls on a proactive basis, considering risk, appetite and tolerance, so that we effectively manage and mitigate the likelihood of failure associated with operational risks. Policies, procedures and controls are in place and are continually developed to govern our operational risks. Controls are reviewed for effectiveness on a regular basis.</p> <p>CAF Bank's operational resilience activities protect it against internal and external events that can disrupt service to its customers. In accordance with PRA, FCA and Bank of England rules, CAF Bank has established important business services, defined set impact tolerances for the maximum tolerable level of disruption and performed testing of its ability to remain within impact tolerances during a severe but plausible disruption.</p>

NON-FINANCIAL RISKS	
Risk	Mitigation
	Operational (continued)
	<p>We continue to monitor the effectiveness of our cyber-related resilience arrangements, including to layer up security measures and to build capacity informed by our operating model and related activity. We regularly test and monitor controls to ensure they are operating effectively and undertake industry benchmarking to ensure our arrangements are fit for purpose.</p> <p>A key part of these controls is awareness throughout the organisation of how cyber-attacks occur and the defences we have in place to counteract these. All employees complete training that supports awareness of our duty to protect our systems and the data they hold. CAF America and CAF Canada IT systems are supported by an external managed service provider to ensure adequate protections are in place to address potential cyberattacks. CAF's cyber resilience and data protection arrangements are overseen by the CAF Information Security Committee (ISC) that has CAF Executive membership.</p> <p>Our people are the key to our success and we invest significantly in learning and development. We carry out surveys of our employees and we develop and implement action plans to address any learning. We provide a number of tools to support our employees focused on psychological, physical and financial wellbeing.</p> <p>We carry out comprehensive reviews of our resilience and business continuity arrangements and test and exercise our response plans. Our standard operating model includes hybrid working arrangements, which support our operational resilience and commitment in making CAF a great place to work.</p> <p>Operational risk presented by third-party suppliers is addressed by our procurement and supplier management processes that ensure a robust framework for engaging third parties, including a thorough risk assessment and regular service reviews.</p>

NON-FINANCIAL RISKS	
Risk	Mitigation
Economic Crime	Economic Crime
<p>There is a risk of both CAF and its customers being a target of economic crime that may lead to reputational damage, financial loss and/or regulatory censure. Economic crime events include money laundering, terrorist financing, proliferation financing, fraud, bribery, corruption, tax evasion facilitation and sanctions breaches.</p>	<p>The CAF Economic Crime Policy sets out our requirements relating to the management and mitigation of economic-crime-related risks. The associated standards, guidance and procedures are designed to support CAF's adherence with the obligations and requirements, as applicable, determined by UK, US and Canadian legislation, regulations and industry best-practice guidelines for both the charity and financial services sectors. They also reflect our commitment and intent to deter, detect and disrupt financial crime.</p> <p>The group's systems and controls are designed to combat economic crime and group-wide transformation plans include an agenda for enhancing ongoing targeting of economic-crime-related risks, aligned with our legal, regulatory and social responsibilities.</p>
External including environmental and reputational	External including environmental and reputational
<p>External risks are the result of external factors, events or perceptions that impact CAF and include the risks associated with changes to government policy, or to other relevant legislation and regulation, on CAF's operations, finances or strategic direction. They include risks resulting from external environmental changes including those needed to achieve net zero</p> <p>There is a desire to develop and demonstrate good practice, in support for third sector decarbonisation and recognition that this begins by demonstrating practical action.</p> <p>CAF's brand and reputation are critical in our endeavours to attract and retain clients and stakeholders, in support of our mission. CAF's objective is to enhance our standing with stakeholders, underpinned by a consistent application of the rules that govern the use of our products, services and brand. We understand the importance of having clear and consistent positions on the issues facing the charitable sector, individual and corporate donors and the Government.</p>	<p>We use our expertise in philanthropy and charitable giving to amplify the charity sector's voice and needs, working with government, policy makers and regulators to bring about change.</p> <p>We monitor the external environment for early signs of potential change so that we can create robust and future-oriented strategies and, where necessary, increase operational preparedness and organisational agility.</p> <p>We are clear in our commitments to the environment and society and are making progress, but we also recognise we are at the beginning of our journey and there is more for us to do. We have recently added a climate change risk category into all risk management frameworks as a starting point to develop the more detailed risks associated with CAF's climate strategy.</p> <p>We take active steps to manage and protect our brand. This work includes the monitoring of social media sentiment, the tracking and reporting of media mentions and the analysis of customer feedback. We use our written policies and procedures to ensure</p>

NON-FINANCIAL RISKS	
Risk	Mitigation
External including environmental and reputational (continued) The risks to the group of reputational damage include a reduction in donations to serve the sector, as well as increased operating costs and loss of market position and influence. Reputational risk arises from (and is considered within) the other risks categories in this report.	External including environmental and reputational (continued) that customer feedback and complaints are managed in line with best practice and applicable regulation. CAF conducts risk-based due diligence on donors and charity recipients as part of our systems and controls to ensure effective management of economic-crime risks, including considering actual or potential reputational risks that may arise. We have recently formalised our Reputational Risk Framework to set out a systematic approach to identifying, assessing and mitigating reputational risk across CAF. We also maintain a Crisis Communications plan to address any negative reputational concerns. Our People team supports managers to understand and act upon risk outcomes in support of good employee relations. Through regular training and ongoing risk and compliance oversight, we ensure that our people are equipped to support outcomes to protect our reputation. CAF undertakes risk-based due diligence on our network of locally led independent organisations, including ensuring relevant agreements are in place in support of expected standards. We aim for each member of the network to maintain the highest standards of regulatory compliance in their own jurisdiction.

FINANCIAL RISKS	
 Through such products and services as CAF's Charity Account, Company Account, and Charitable Trust, and CAF's social investment programme of grants and loans in the UK and through Donor Advised Funds in the US and Canada, the group's activities include the receipt, investment and onward distribution of charitable funds. Activities also include banking services, such as deposit taking and lending provided by CAF Bank. Consequently, the group has a corresponding	 exposure to the associated financial risks, which can be impacted by external factors, such as inflation and geopolitical uncertainties. Details of the financial instruments held by CAF Bank are set out in note 35 to the financial statements, together with descriptions of the management of each category of financial risk.
Risk	Mitigation
Capital Risk CAF defines capital risk as the risk that the group (or its entities) does not have the amount and/or quality of reserves or capital needed to meet the requirement of the relevant Reserves and Capital Policy or the minimum regulatory requirements, or to support planned strategic growth.	Capital Risk Relevant policies are reviewed and approved by the appropriate CAF Committee. Required levels are supported by maintaining capital in line with policy. Our planning processes include a comparison of projected capital and reserves against the minimum level required to support our operations and planned growth and include assessing the impact of a range of stresses on our reserves and capital position. For CAF Bank, capital risk is measured, monitored and reported daily against limits approved by the CAF Bank Board within CAF Bank's Capital Policy and monitored at CAF Bank's Asset and Liability Committee (ALCo) and Executive Risk Committee. CAF Bank undertakes regular stress testing of its capital adequacy.

FINANCIAL RISKS	
Risk	Mitigation
Credit Risk Credit risk is the risk of financial loss arising from a borrower or counterparty failing to meet their financial obligations to repay the group in accordance with agreed terms. Credit risk arises primarily from investing funds with treasury counterparties and lending to charities.	Credit Risk Treasury assets Treasury policies are reviewed and approved by the CAF IFC and ARCC, which approve criteria including credit rating and counterparty lending limits. Subject to minimum credit ratings, maximum terms, and maximum counterparty limits, funds may be invested in the following: <ul style="list-style-type: none">• UK Gilts and Multilateral Development Banks.• Other single sovereign-backed Sterling denominated bonds.• Financial and non-financial fixed and floating rate corporate bonds and covered bonds.• Bank deposits, certificates of deposit and other marketable securities. For CAF Bank, Treasury counterparties are reviewed and approved by ALCo in accordance with policies and criteria approved by the CAF Bank Board. The Bank sets criteria that include credit rating, counterparty lending limits and country exposure limits. The Bank uses the Standardised Approach to assess capital required for credit risk, with risk weightings based on the lower of the two highest of Fitch, S&P and Moody’s ratings in accordance with the credit quality assessment scale. CAF continues to carefully monitor and consider risks associated with the macro-economic environment. Financial investments held for Trust funds CAF’s Charitable Trusts, CAF America Donor Advised Funds, CADF Trusts and CAF Canada Donor Advised Funds (collectively ‘Trust funds’) are invested in accordance with policies approved by the CAF IFC, on behalf of CAF and CADF Trustees, and by the Boards of CAF America and CAF Canada. Donors typically suggest that a proportion of funds donated are held

FINANCIAL RISKS	
Risk	Mitigation
	Financial investments held for Trust funds (continued) in cash to meet short-term giving expectations and invest funds to meet medium- to long-term philanthropic objectives. Lending and programme-related investments through CAF Bank and social investment, part of the Impact Accelerator, are the two principal streams of loans to charities and social purpose organisations. CAF Bank has a system of limits and controls in place to manage credit risk on its loan portfolio. Loan applications are reviewed by a credit assessment team and presented for approval to the Sanctions Committee, a sub-committee of the CAF Bank Credit Risk Committee, in accordance with policies and criteria approved by the CAF Bank Board. CAF Bank lending is secured on property and subject to limits on loan to value ratios. CAF Bank’s lending policies include maximum exposure values and limits to manage concentration risk by sector. Exposure to geographical risk is monitored. CAF Bank’s loans, overdrafts and BACS facilities are subject to regular monitoring of loan performance and individual annual review. Administration of the loan book is outsourced to a third party, which provides regular management information on a loan-by-loan and aggregated basis. Most of CAF’s social investments, through the Venturesome Impact Fund, are unsecured loans. In some circumstances, we will offer blended finance packages (part loan, part grant), which can help smaller organisations facing additional pressures. CAF’s Impact Committee meets regularly to review and approve all social investments that are subject to due diligence. Impact Committee members include members of the CAF Executive and external specialists. All social investment activities are subject to regular monitoring of performance. Provisions are assessed for evidence of impairment at both specific and collective level.

FINANCIAL RISKS	
Risk	Mitigation
<p>Market and interest rate risk</p> <p>Market and interest rate risk is the risk from adverse movements in external markets, for example, interest rate movements and changes in investment values that will reduce income or the value of assets. This includes interest rate risk in CAF Bank's banking book (IRRBB) that is the risk arising from a mismatch between the duration of assets and liabilities.</p> <p>The group is exposed to foreign exchange risk arising from holding and transacting in currencies other than sterling, primarily US dollars. This risk may affect the value of income received, the cost of charitable activities, and the value of assets and liabilities when translated into the group's presentational currency.</p>	<p>Market and interest rate risk</p> <p>Treasury assets (excluding financial investments held for Trust Funds, please see below)</p> <p>No entities in the CAF group undertake proprietary trading activities. It is the group's policy to hold debt investments to maturity and to value at cost, with any premium or discount amortised over the remaining term (the effective interest method).</p> <p>The group manages interest rate risk through the purchase of fixed rate investments that provide a degree of hedging against adverse changes in market interest rates. The group's policy is to hold these investments to redemption at par and the group's ability to do so is evaluated on a regular basis through the use of stress testing. The impact of any movements on the value of these fixed rate instruments is, therefore, not anticipated to affect the group's financial results.</p> <p>Interest-rate-related market risk in CAF Bank is controlled by measuring mismatches between the repricing behaviour of assets and liabilities. It is managed within Board approved limits. IRRBB is measured weekly and monitoring is carried out by ALCo and BRCC.</p> <p>It is the group's policy to minimise holdings in currencies not required for operational purposes, thereby reducing exposure to foreign exchange volatility. The group does not engage in foreign exchange contracts for speculative purposes.</p> <p>Financial investments held for Trust funds</p> <p>Trust funds are invested to fund our donors' long-term philanthropic goals. The value of investments, alongside any other regular contributions a donor may make, determines the value of overall funds available to make donations. Accordingly, a movement in equity markets or interest rates may affect the value of Trust funds held by the group but does not impact the level of unrestricted funds.</p>



Statement of Trustees' responsibilities in respect of the Trustees' Report and the Financial Statements

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the group and the charity 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 charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' report on pages 3 to 96 was approved by the Board of Trustees on 31 July 2025 and signed on their behalf.



Sir James Leigh-Pemberton, CVO
Chair of Trustees

Independent auditors’ report to the Trustees of Charities Aid Foundation

Report on the audit of the financial statements

OPINION

In our opinion, Charities Aid Foundation’s group financial statements and parent charity financial statements (the “financial statements”):

- give a true and fair view of the state of the group’s and of the parent charity’s affairs as at 30 April 2025 and of the group’s and parent charity’s incoming resources and application of resources and of the group’s and parent charity’s cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”, and applicable law); and
- have been prepared in accordance with the requirements of the Charities Act 2011 and Regulation 15 of The Charities (Accounts and Reports) Regulations 2008.

We have audited the financial statements, included within the Trustees’ Report and Financial Statements (the “Annual Report”), which comprise: the group and charity balance sheets as at 30 April 2025; the group and charity statements of financial activities for the year then ended; the group and charity cash flow statements for the year then ended, and the notes to the financial statements, which include a description of the significant accounting policies.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors’ responsibilities

for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

OUR AUDIT APPROACH

Overview

Audit scope

- As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. Our group audit scope included the full scope audit of the group’s entities which were individually of financial significance to the group being the parent charity, CAF Bank Limited, CAF America, and Southampton Row Trust Limited. The group audit team performed the audit work at these components, with the exception of CAF America where the audit work was performed by a non-PwC network firm, and supplemented through the group team’s performance of additional testing procedures. The scope of our audit and the nature, timing and extent of audit procedures performed were determined by our risk assessment and other qualitative factors (including history of misstatement through fraud and error).

Key audit matter

- Recognition of income from donations and legacies (group and parent charity).

Materiality

- Overall group materiality: £13.9m (2024: £11.5m) based on 1% of total income.
- Overall parent charity materiality: £5m (2024: £4m) based on 1% of total income.
- Performance materiality: £10.4m (2024: £8.6m) (group) and £3.7m (2024: £3.0m) (parent charity).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors’ professional judgement, were of most

significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The key audit matter below is consistent with last year.

Key Audit Matter	How our audit addressed the key audit matter
<p><i>Recognition of income from donations and legacies (group and parent charity)</i></p> <p>For the year ended 30 April 2025, the group’s reported donations income was £1,198m (2024: £1,037m) and legacy income was £66m (2024: £34m), including £54m (2024: £25m) accrued at the year end. The parent charity’s reported donations income was £392m (2024: £319m) and legacy income was £58m (2024: £31m), including £45m (2024: £24m) accrued at the year end.</p> <p>In accordance with the accounting policies set out in “Note 1.4 (a) Donations and legacies” of the financial statements, donations received, including Gift Aid on eligible donations, are recognised once the group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.</p> <p>Donations income represents the primary source of income for the group and parent charity, and the volume of transactions is significant. Therefore, this was an area of focus in the context of our work.</p> <p>There is a high degree of management judgement involved in the recognition of income from legacies which have been accrued at the year end. These judgements include assessing the entitlement, probability and measurement of the income.</p> <p>Accordingly, we consider there to be an increased risk of misstatement due to fraud or error in respect of accrued legacy income.</p>	<p>We understood the key controls surrounding donation and legacy income recognition. We evaluated the design and implementation of controls over the recognition of accrued legacy income.</p> <p>We obtained an understanding of relevant general IT controls related to the group’s key financial systems, but in view of their maturity, did not seek to place reliance on them. We performed substantive tests to validate the integrity of any reports generated from systems that were used in our audit work.</p> <p>In addition we performed the substantive testing described below:</p> <ul style="list-style-type: none">• Tested on a sample basis donations received during the year to supporting evidence;• Tested on a sample basis whether donations were recognised in the correct year;• Tested a sample of legacies (with specific focus on the accrued legacy income) and considered management’s judgement as to the timing of legacy recognition and the amount recognised in light of documented evidence and the group’s legacy accounting policy;• Performed specific completeness testing, for example around the receipt of third party legacy notifications;• Performed cut-off testing with respect to legacies recognised after the year end to test on a sample basis whether income had been recorded in the correct financial year; and• Considered the results of the journal testing performed where this affected reported donation and legacy income.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the parent charity, the accounting processes and controls, and the industry in which they operate.

We determined the scope of the work required based on the nature of activities in each of the components and issued instructions to a non-PwC network firm in respect of audit work required for CAF America. We instructed them to perform full scope audit procedures on our behalf. We interacted regularly with them and also visited CAF America to meet with management and local trustees. Our procedures included reviewing key working papers and discussing and challenging the results of work in higher risk areas of the audit. In addition, the group team performed independent testing over donation income and grant expenditure on a sample basis. We concluded that the audit procedures performed were sufficient for the purposes of issuing our opinion.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the group’s and parent charity’s financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the group’s and parent charity’s financial statements.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements - group	Financial statements - parent charity
Overall company materiality	£13.9m (2024: £11.5m).	£5.0m (2024: £4m).
How we determined it	1% of total income	1% of total income
Rationale for benchmark applied	We consider total income to be an appropriate benchmark as it is a key measure of the performance of the group, being a not-for-profit organisation.	We consider total income to be an appropriate benchmark as it is a key measure of the performance of the parent charity, being a not-for-profit organisation.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was £0.7m to £10.0m. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £10.4m (2024: £8.6m) for the group financial statements and £3.7m (2024: £3m) for the parent charity financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit, Risk and Compliance Committee that we would report to them misstatements identified during our audit above £0.7m (group audit) (2024: £0.6m) and £0.2m (parent charity audit) (2024: £0.2m) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group’s and parent charity’s ability to continue as a going concern.

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

REPORTING ON OTHER INFORMATION

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors’ report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

Based on our work undertaken in the course of the audit, the Charities Act 2011 requires us also to report certain opinions and matters as described below.

Trustees’ Report

Under the Charities Act 2011 we are required to report to you if, in our opinion, the information given in the Trustees’ Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Trustees’ responsibilities in respect of the Trustees’ Report and the Financial Statements, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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 parent charity’s ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group and parent charity or to cease operations, or have no realistic alternative but to do so.

Auditors’ responsibilities for the audit of the financial statements

We are eligible to act and have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the group, parent charity, and sector, we identified that the principal risks of noncompliance with laws and regulations related to provisions of the parent charity’s trust deed, the Prudential Regulatory Authority and the Financial Conduct Authority, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Charities Act 2011 and relevant regulations made or having an effect thereunder, including the Charities (Accounts and Reports) Regulations 2008. We evaluated the incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) by the trustees and those responsible for, or involved in, the preparation of the financial statements, and determined that the principal risks were related to posting of inappropriate journal entries and bias in key accounting estimates. The group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work.

Audit procedures performed by the group engagement team and/or component auditors included:

- Enquiring of management and the Audit, Risk and Compliance Committee in relation to known or suspected instances of non-compliance with laws and regulations and fraud;
- Assessing matters reported on the group’s whistleblowing helpline and the results of management’s investigation of such matters;
- Reviewing key correspondence with regulatory authorities;
- Gaining an understanding of period end controls around the preparation of the financial statements, including controls around posting of journals;
- Testing the appropriateness of journal entries using risk based sampling procedures, to identify journals with high risk characteristics;
- Assessing for bias in key accounting estimates. For example, the measurement of accrued legacy income; and
- Incorporating unpredictability into the nature, timing and/or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC’s website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors’ report. In our engagement letter, we also agreed to describe our audit approach, including communicating key audit matters.

Use of this report

This report, including the opinions, has been prepared for and only for the charity’s trustees as a body in accordance with section 151 of the Charities Act 2011 and regulations made under section 154 of that Act (Part 4 of the Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

CHARITIES ACT 2011 EXCEPTION REPORTING

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
31 July 2025



		Unrestricted funds		Restricted funds		Total	
	Notes	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Income							
Donations		6,269	6,185	1,191,992	1,030,956	1,198,261	1,037,141
Legacies		4,600	630	60,912	33,715	65,512	34,345
Government grants	4	-	-	-	233	-	233
		10,869	6,815	1,252,904	1,064,904	1,263,773	1,071,719
Charitable activities:							
Fee income		26,806	25,250	-	-	26,806	25,250
CAF Bank net interest income		45,549	44,773	-	-	45,549	44,773
Investment income	5	29,962	29,299	24,499	23,782	54,461	53,081
Total income	6	113,186	106,137	1,277,403	1,088,686	1,390,589	1,194,823
Expenditure							
Charitable activities:							
Donations payable to charities		1,702	5,086	1,133,759	1,064,420	1,135,461	1,069,506
Other expenditure on charitable activities		92,344	86,277	-	290	92,344	86,567
Total expenditure	6	94,046	91,363	1,133,759	1,064,710	1,227,805	1,156,073
Net income before net gains/(losses) on investments							
		19,140	14,774	143,644	23,976	162,784	38,750
Net losses on debt securities		(22)	(79)	-	-	(22)	(79)
Net gains on financial investments		-	-	16,411	73,469	16,411	73,469
Net gains/(losses) on other investments		-	732	(112)	(30)	(112)	702
Net income before tax	6	19,118	15,427	159,943	97,415	179,061	112,842
Corporation tax	9	(3,522)	(4,542)	-	-	(3,522)	(4,542)
Net income after tax		15,596	10,885	159,943	97,415	175,539	108,300
Transfers between funds	26	2,279	3,213	(2,279)	(3,213)	-	-
Net movement in funds before other recognised gains/(losses)		17,875	14,098	157,664	94,202	175,539	108,300
Other recognised gains/(losses)							
Gain/(losses) on foreign exchange		(485)	100	(15,169)	983	(15,654)	1,083
Defined benefit pension scheme:							
Actuarial losses	31	(1,556)	(162)	-	-	(1,556)	(162)
Remeasurement of asset limit	31	848	409	-	-	848	409
Net movement in funds		16,682	14,445	142,495	95,185	159,177	109,630
Reconciliation of funds							
Total funds brought forward		98,496	84,051	1,848,467	1,753,282	1,946,963	1,837,333
Total funds carried forward	26	115,178	98,496	1,990,962	1,848,467	2,106,140	1,946,963

The notes on pages 113 to 160 form an integral part of these financial statements.

		Unrestricted funds		Restricted funds		Total	
		2025	2024	2025	2024	2025	2024
	Notes	£000	£000	£000	£000	£000	£000
Income							
Donations		7,235	6,901	385,006	312,302	392,241	319,203
Legacies		4,600	630	53,450	30,293	58,050	30,923
Government grants	4	-	-	-	233	-	233
		11,835	7,531	438,456	342,828	450,291	350,359
Charitable activities:							
Fee income		17,261	15,117	-	-	17,261	15,117
Investment income	5	21,449	20,623	19,642	19,345	41,091	39,968
Total income	6	50,545	43,271	458,098	362,173	508,643	405,444
Expenditure							
Charitable activities:							
Donations payable to charities		1,702	5,086	349,273	362,316	350,975	367,402
Other expenditure on charitable activities		45,286	44,090	-	290	45,286	44,380
Total expenditure	6	46,988	49,176	349,273	362,606	396,261	411,782
Net income/(expenditure) before net gains/(losses) on investments							
		3,557	(5,905)	108,825	(433)	112,382	(6,338)
Net losses on debt securities		(22)	(79)	-	-	(22)	(79)
Net gains on financial investments		-	-	17,703	67,024	17,703	67,024
Net gains/(losses) on other investments		-	732	(112)	-	(112)	732
Net income/(expenditure)	6	3,535	(5,252)	126,416	66,591	129,951	61,339
Transfers between funds	26	1,747	3,213	(1,747)	(3,213)	-	-
Net movement in funds before other recognised gains/(losses)		5,282	(2,039)	124,669	63,378	129,951	61,339
Other recognised gains/(losses)							
Gains/(losses) on foreign exchange		(63)	46	(3,635)	(344)	(3,698)	(298)
Defined benefit pension scheme:							
Actuarial losses	31	(1,556)	(162)	-	-	(1,556)	(162)
Remeasurement of asset limit	31	848	409	-	-	848	409
Net movement in funds		4,511	(1,746)	121,034	63,034	125,545	61,288
Reconciliation of funds							
Total funds brought forward		66,068	67,814	1,494,789	1,431,755	1,560,857	1,499,569
Total funds carried forward	26	70,579	66,068	1,615,823	1,494,789	1,686,402	1,560,857

The notes on pages 113 to 160 form an integral part of these financial statements.

		Unrestricted funds		Restricted funds		CAF Bank balances and donor client balances		Total	
Notes		2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Assets									
Balances at Bank of England		73,159	62,787	-	-	537,513	567,739	610,672	630,526
Loans and advances to banks									
On demand and short-term deposits	10	52,032	46,506	253,833	301,671	8,800	30,604	314,665	378,781
Other	10	-	-	266,938	216,245	-	-	266,938	216,245
Loans and advances to customers	11	-	121	8,670	8,738	219,101	197,702	227,771	206,561
Debt securities	12	-	-	362,915	325,067	682,783	637,376	1,045,698	962,443
Financial investments	13	-	-	1,038,321	979,616	-	-	1,038,321	979,616
Other investments	14	4,829	4,829	2,490	5,393	-	-	7,319	10,222
Tangible fixed assets	16	3,478	3,701	-	-	-	-	3,478	3,701
Intangible fixed assets	17	15,908	10,758	-	-	-	-	15,908	10,758
Other debtors	18	1,182	1,928	19,879	12,214	-	-	21,061	14,142
Prepayments and accrued income	19	16,883	17,136	51,927	25,122	9,134	8,486	77,944	50,744
Total assets		167,471	147,766	2,004,973	1,874,066	1,457,331	1,441,907	3,629,775	3,463,739
Liabilities									
CAF Bank depositor balances		20	-	-	-	1,450,920	1,419,427	1,450,920	1,419,427
CAF Give As You Earn and CAF Donate balances		21	-	-	-	3,860	6,207	3,860	6,207
Due to beneficiary charities		22	-	-	7,720	17,802	-	7,720	17,802
Other creditors		23	10,951	7,318	6,241	6,316	734	406	17,926
Accruals and deferred income			3,957	4,437	50	1,481	1,817	2,015	5,824
Provision for corporation tax			144	346	-	-	-	144	346
Repurchase agreement		24	-	-	-	-	13,852	-	13,852
Long-term loans		25	37,241	37,169	-	-	-	37,241	37,169
Total liabilities			52,293	49,270	14,011	25,599	1,457,331	1,441,907	1,523,635
Funds		26	115,178	98,496	1,990,962	1,848,467	-	-	2,106,140
Total liabilities and charitable funds			167,471	147,766	2,004,973	1,874,066	1,457,331	1,441,907	3,629,775

The notes on pages 113 to 160 form an integral part of these financial statements.

Approved by the Trustees and authorised for issue on 31 July 2025 and signed on their behalf by:

Mike Ashley FCA
Trustee

Liz Rylatt FCA
Group Chief Financial Officer

Registered charity number 268369		Unrestricted funds		Restricted funds		Donor client balances		Total	
		2025	2024	2025	2024	2025	2024	2025	2024
	Notes	£000	£000	£000	£000	£000	£000	£000	£000
Assets									
Loans and advances to banks									
On demand and short-term deposits	10	42,740	37,300	93,137	137,569	4,594	6,613	140,471	181,482
Other	10	-	-	211,926	167,739	-	-	211,926	167,739
Loans and advances to customers	11	-	121	3,585	3,000	-	-	3,585	3,121
Debt securities	12	-	-	325,383	296,246	-	-	325,383	296,246
Financial investments	13	-	-	928,765	874,535	-	-	928,765	874,535
Other investments	14	4,829	4,829	2,426	5,325	-	-	7,255	10,154
Subsidiary undertakings	15	46,700	46,700	-	-	-	-	46,700	46,700
Tangible fixed assets	16	3,446	3,660	-	-	-	-	3,446	3,660
Other debtors	18	4,346	2,676	18,779	4,591	-	-	23,125	7,267
Prepayments and accrued income	19	12,224	13,064	43,154	23,909	-	-	55,378	36,973
Total assets		114,285	108,350	1,627,155	1,512,914	4,594	6,613	1,746,034	1,627,877
Liabilities									
CAF Give As You Earn and CAF Donate balances	21	-	-	-	-	3,860	6,207	3,860	6,207
Due to beneficiary charities	22	-	-	5,091	11,809	-	-	5,091	11,809
Other creditors	23	3,357	2,459	6,241	6,316	734	406	10,332	9,181
Accruals and deferred income		3,108	2,654	-	-	-	-	3,108	2,654
Long-term loans	25	37,241	37,169	-	-	-	-	37,241	37,169
Total liabilities		43,706	42,282	11,332	18,125	4,594	6,613	59,632	67,020
Funds		26	70,579	66,068	1,615,823	1,494,789	-	-	1,686,402
Total liabilities and charitable funds		114,285	108,350	1,627,155	1,512,914	4,594	6,613	1,746,034	1,627,877

The notes on pages 113 to 160 form an integral part of these financial statements.

Approved by the Trustees and authorised for issue on 31 July 2025 and signed on their behalf by:

Mike Ashley FCA
Trustee

Liz Rylatt FCA
Group Chief Financial Officer

		2025		2024	
	Notes	£000	£000	£000	£000
Cash flows from operating activities:					
Net cash generated from/(used in) operating activities	27	34,033		(150,243)	
Cash flows from investing activities:					
Net (increase)/decrease in loans and advances to banks		(50,693)		70,931	
Payments to acquire debt securities		(409,498)		(501,616)	
Proceeds on redemption and disposal of debt securities		328,841		535,597	
Payments to acquire financial investments		(215,185)		(266,873)	
Proceeds on disposal of financial investments		233,185		239,391	
Payments to acquire other investments		(175)		(29)	
Proceeds on disposal of other investments		3,362		3,720	
Payments to acquire tangible fixed assets		-		(853)	
Payments to acquire intangible fixed assets		(5,150)		(4,425)	
Decrease in investment portfolio cash and settlements pending		4,394		7,036	
Proceeds from repurchase agreements		-		5,000	
Repayment of repurchase agreements		(13,852)		-	
Receipts of Trust Funds investment income		24,646		23,392	
Payment to purchase buy-in of defined benefit pension scheme		(774)		-	
Net cash (used in)/generated from investing activities		(100,899)		111,271	
Payments of interest on long-term loans		(1,450)		(1,449)	
Net cash used in financing activities		(1,450)		(1,449)	
Change in cash and cash equivalents in the year		(68,316)		(40,421)	
Cash and cash equivalents as at 1 May		1,009,307		1,048,645	
Change in cash and cash equivalents due to exchange rate movements		(15,654)		1,083	
Cash and cash equivalents as at 30 April		925,337		1,009,307	
Represented by:					
Balances at Bank of England repayable on demand			610,672		630,526
Loans and advances to banks repayable on demand			314,665		378,781
			925,337		1,009,307

The notes on pages 113 to 160 form an integral part of these financial statements.

		2025		2024	
	Notes	£000	£000	£000	£000
Cash flows from operating activities:					
Net cash generated from/(used in) operating activities	27	20,131		(50,670)	
Cash flows from investing activities:					
Net (increase)/decrease in loans and advances to banks		(44,187)		96,480	
Payments to acquire debt securities		(241,984)		(218,683)	
Proceeds on redemption and disposal of debt securities		213,243		135,490	
Payments to acquire financial investments		(188,582)		(179,329)	
Proceeds on disposal of financial investments		184,397		147,706	
Payments to acquire other investments		(175)		-	
Proceeds on disposal of other investments		3,362		-	
Advances of sub-ordinated debt to subsidiary undertakings		-		(15,000)	
Repayment of sub-ordinated debt from subsidiary undertakings		-		10,500	
Payments to acquire tangible fixed assets		-		(848)	
(Increase)/decrease in investment portfolio cash and settlements pending		(1,089)		4,028	
Receipts of Trust Funds investment income		19,795		18,956	
Payment to purchase buy-in of defined benefit pension scheme		(774)		-	
Net cash used in investing activities		(55,994)		(700)	
Cash flows from financing activities:					
Payments of interest on long-term loans		(1,450)		(1,449)	
Net cash used in financing activities		(1,450)		(1,449)	
Change in cash and cash equivalents in the year		(37,313)		(52,819)	
Cash and cash equivalents as at 1 May		181,482		234,599	
Change in cash and cash equivalents due to exchange rate movements		(3,698)		(298)	
Cash and cash equivalents as at 30 April		140,471		181,482	

The notes on pages 113 to 160 form an integral part of these financial statements.

1. ACCOUNTING POLICIES

The principal accounting policies and judgements used in the preparation of the financial statements are:

1.1. Basis of preparation

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (‘FRS 102’) and the Statement of Recommended Practice: Accounting and Reporting by Charities (Charity SORP (FRS 102)), except for the adoption of a balance sheet format which the Trustees believe more clearly represents the group’s financial assets and liabilities.

The financial statements have been prepared to give a ‘true and fair’ view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a ‘true and fair view’. This departure has involved following 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Monetary amounts in these financial statements are stated in pounds sterling, which is the functional and presentational currency, and are rounded to the nearest whole £1,000, except where otherwise indicated.

1.2 Going Concern

In order to assess the appropriateness of the going concern assumption basis, the Trustees have considered the group’s and the charity’s financial position, liquidity, unrestricted reserves and forecasts for the foreseeable future, taking into account the principal risks to which the group and the charity are exposed, and the ongoing cost-of-living crisis and geopolitical uncertainties.

The Trustees and boards of CAF subsidiaries have considered the impact of severe but plausible stress scenarios on each group entity and the effectiveness of management actions that might be taken to mitigate the impact of these stress. Trustees and boards of subsidiaries have also considered the circumstances under which operations of each group entity would be unable to continue.

Accordingly, and after making appropriate enquiries, the Trustees have a reasonable expectation that the group and the charity will be able to continue in operation and meet their liabilities as they fall due for at least 12 months from the date of signing this report. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Fund accounting

The group holds restricted and unrestricted funds.

Fund classification is an area of significant judgement and is dealt with in Note 1.18a.

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects of the group. Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors. Restricted funds comprise donations to the group that are held pending suggestions for investment or onward donation to charitable organisations.

Further details of each fund are disclosed in note 26.

1.4 Income recognition

Income is recognised once the group has entitlement to the income, it is probable that the income will be received, and the amount can be measured reliably.

(a) Donations and legacies

Donations received, including Gift Aid on eligible donations, are recognised once the group has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

In the event that a donation or grant is subject to conditions, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the group, and it is probable that those conditions will be fulfilled.

Non-cash donations principally comprise share gift donations, which are recognised as donations received at the market value on the date of gift. Proceeds from the sale of non-cash donations are recognised as investing activities in the cash flow statement.

Legacy donations are recognised on a case-by-case basis normally where there has been a grant of probate or notification has been made by executors that a distribution will be made. In the event that the gift is in the form of an asset other than cash, or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the group. Where legacies have been notified with an estimated value but the criteria for income recognition have not been met, then the legacies are treated as contingent assets and disclosed if material (see note 30).

Donations processed by the group acting in an agency role are not recognised in the Statement of Financial Activities (SOFA). Any cash held is recognised in the balance sheet as liabilities. Such donations consist of amounts in respect of CAF Give As You Earn and CAF Donate services.

(b) Government grants

Income in respect of government grants is recognised, in accordance with any applicable agreement, over the period to which the grant relates. Any underspends of the grants that are due to be returned are included within creditors.

(c) Fee income

Income in respect of grant administration services provided to grantmakers, which forms part of wider arrangements including the receipt and onward payment of funds to beneficiary charities, is recognised upon delivery of the administration services. Recognition of this income is dependent upon being able to measure reliably: the stage of completion, the costs incurred in delivering the service and the costs to complete the requirements of the service.

Loan arrangement fees are recognised using the effective interest method over the term of the loan. Non-utilisation fees on undrawn loans are recognised as income in the period they are earned.

(d) Investment income

Investment income consists of interest receivable and dividend income.

Interest receivable on financial assets is recognised using the effective interest method.

Dividends are recognised once the dividend has been declared, and notification has been received of the value of the dividend due. Where investments are managed by external investment managers, this is normally upon notification by the investment manager of the dividend income.

1.5 Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Donations payable to charities principally represent donations suggested by donors and are charged to the SOFA when both the group and beneficiary charities are notified in the normal course of business of an unconditional obligation to transfer funds. Amounts to be paid at a future date are included in creditors.

On occasion the beneficiary charity is formally notified in writing of a donation by the group. This notification gives the recipient a reasonable expectation that they will receive a one-off or multi-year donation. In the case of an unconditional offer this is accrued once the recipient has been notified of the donation. Donations that are subject to the recipient fulfilling performance conditions are recognised as payable when any remaining unfulfilled conditions attached to that award are outside of the control of the group.

The provision for a multi-year donation is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the group that would permit the group to avoid making the future payment(s), settlement is probable, and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the donation is made.

1.6 Allocation of support costs

All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. Where support costs cannot be directly attributed to one or more categories, they are apportioned on the basis of employee headcount. No support costs are allocated to restricted funds.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Irrecoverable VAT is charged as a cost.

1.7 Operating leases

Operating lease rentals are charged to the SOFA on a straight-line basis over the term of the lease.

1.8 Pension costs

Details of the group’s pension arrangements are set out in note 31. The following policies are applied to the recognition and measurement of costs and liabilities in respect of the pension plans.

Defined contribution pension plans

Pension contributions payable for the year in respect of defined contribution pension plans are recognised as an expense and as a liability, after deducting any amounts already paid.

Defined benefit pension scheme

The CAF-specific defined benefit pension scheme (Charities Aid Foundation Pension Scheme) is closed to both new members and benefit accrual. In accordance with the requirements of FRS 102, if CAF’s obligations under the plan exceed the value of the plan’s assets, CAF recognises a ‘net defined benefit liability’. In the event of a winding up of the plan, the trust deed allows CAF to recover any surplus that may exist. Consequently, where the value of the plan’s assets exceeds CAF’s obligation under the plan, CAF recognises a ‘net defined benefit asset’, but only to the extent it is expected that the asset might be recovered by CAF.

The net defined benefit asset or liability is measured in accordance with the requirements of FRS 102 and is determined by an independent actuary. The net change in the defined benefit asset or liability during the period is recognised in the SOFA.

1.9 Foreign currency

Transactions in foreign currencies are translated to Sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to pound sterling at the exchange rate ruling at that date.

The results of overseas operations are translated at the average annual rate of exchange and their balance sheets at the rates ruling at the balance sheet date.

Exchange differences arising, including those on the translation of opening net assets of overseas subsidiary undertakings, are taken to the SOFA and presented as part of other recognised gains and losses.

1.10 Taxation

Current tax, including UK Corporation Tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

1.11 Tangible fixed assets

Tangible fixed assets, other than long-leasehold property, are stated at cost less accumulated depreciation and accumulated impairment losses.

Long-leasehold property is stated at fair value less any subsequent accumulated depreciation and impairment losses. Gains and losses on revaluation are recognised in the SOFA and accumulated in the revaluation reserve where, for the latter, they exceed cost less depreciation.

Impairment losses are recognised in accordance with note 1.17.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Group entities assess at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the SOFA on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. The estimated useful lives are as follows:

• Long-leasehold property	50 years
• Long-leasehold and other leasehold improvements	Shorter of the remaining term of the lease or the useful economic life of the asset
• Furniture and fittings	up to 4 years
• Computer equipment	up to 3 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change in the pattern by which the group expects to consume an asset’s future economic benefits.

1.12 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation and impairment losses. Amortisation will commence when the assets are substantially ready for their intended use.

Intangible fixed assets are assessed for impairment at each balance sheet date.

External spend to suppliers on software and system development in respect of an asset controlled by a group entity is capitalised where the recognition criteria are satisfied. Internal spend on staff and contractors is expensed, except where effort directly relates to system development and the recognition criteria are satisfied.

Control of an asset is present if the power exists to obtain the future economic benefits flowing from software and to restrict the access of others to those benefits. Where an intangible asset is not recognised for the costs of configuration or customisation of the software, then the costs are recognised as an expense.

1.13 Basic financial instruments

(a) Loans and advances to banks

Loans and advances to banks comprise the group’s cleared and uncleared balances held at clearing banks and deposits with an original maturity of five years or less. These are shown at the lower of cost or estimated realisable value.

Where a pool of ‘Financial investments’ is managed on a discretionary basis by an investment manager and the portfolio includes cash and cash deposits, those balances are included with the investment balance to reflect that the funds do not form part of day-to-day operational cash flows and balances.

(b) Debt securities

Debt securities held to support the group’s operations and generate income to support the group’s charitable objectives are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Certain debt securities are held as part of a portfolio of investments maintained to achieve capital appreciation and to generate income for donor advised funds. Debt securties held for these purposes are classified as ‘Financial investments’ in the balance sheet. They are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition those that can be measured reliably are measured at fair value with changes recognised in the SOFA. Where their fair value cannot be reliably measured, for example they are not publicly traded, the investments are measured at cost less impairment.

(c) Financial investments

Investments in equity instruments, such as ordinary and certain preference shares, are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit or loss. Subsequent to initial recognition investments that can be measured reliably are measured

- at fair value with changes recognised in the SOFA. Where the fair value of such investments cannot be reliably measured, for example they are not publicly traded, the investments are measured at cost less impairment.
- (d) CAF Bank depositor balances**
CAF Bank depositor balances represent the value of deposits by account holders and are recorded as liabilities.
- (e) Repurchase agreements**
When securities are sold subject to a commitment to repurchase them at a predetermined price ('repos'), they remain on the balance sheet and a liability is recorded in respect of the consideration received. Repos are measured at amortised cost. The difference between the sale and repurchase price is treated as interest and recognised in net interest income over the life of the agreement.
- (f) Debtors and creditors**
Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid.
- Creditors are recognised where there is a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.
- (g) Interest-bearing loans receivable and payable**
Interest-bearing loans are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing loans are stated at amortised cost using the effective interest method, less any impairment losses.
- (h) Concessionary loans receivable and payable**
Concessionary loans may be receivable from other charities as a result of social lending activity undertaken by CAF Venturesome and loans advanced by CAF Charitable Trusts. Such loans are advanced at concessionary (non-market) rates of interest, which may include interest-free loans. These are initially recognised at the amount

- advanced to the borrower and are subsequently measured at the amount advanced less amounts received less any impairment.
- Concessionary loans may be payable in respect of funds advanced to support social lending undertaken by CAF Venturesome. Such loans are advanced at concessionary (non-market) rates and are usually interest-free loans. These are initially recognised at the amount advanced by the lender and are subsequently measured at the amount advanced less any amounts repaid to the lender.
- 1.15 Investment properties**
Investment properties which are only acquired upon donation, usually by legacies, to the group are measured initially at probate valuation. Subsequent to initial recognition, investment properties are held at open market value.
- 1.16 Investments in subsidiaries**
Investments in subsidiaries which represent ordinary share capital and subordinated debt are carried at cost less impairment.
- 1.17 Impairment of assets**
- (a) Financial assets (including trade and other debtors)**
Financial assets, including loans, are assessed at each reporting date to determine whether there is objective evidence of impairment.
- Objective evidence of impairment of a loan can include default or delinquency by a borrower, restructuring of a loan or advance on terms the group would otherwise not consider, indications that a borrower or issuer may become insolvent, or a reduction in marketability of the security.
- The group considers evidence for impairment for loans and advances (including on-demand commitments) at both specific and collective level. If there is evidence of impairment leading to an impairment loss for an individual counterparty relationship, then the amount of the loss is determined as the difference between the carrying amount of the loan, including accrued interest, and the estimated recoverable amount.

- The estimated recoverable amount is measured as the present value of expected future cash flows discounted at the loan's original effective interest rate, including cash flows that may result from foreclosure less costs for obtaining and selling collateral. The carrying amount of the loan is reduced by the use of an allowance account and the amount of the loss is recognised in the SOFA.
- Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the group and loss experience for assets with credit risk characteristics similar to those in the group. In addition, the group uses its judgement to estimate the amount of an impairment loss, supported by historical loss experience data for similar assets. The use of such judgements and reasonable estimates is considered by management to be an essential part of the process.
- (b) Non-financial assets**
The carrying amounts of the group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.
- An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the SOFA. An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.
- Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

- 1.18 Critical accounting judgements and significant estimates**
- (a) Critical accounting judgements**
- Classification of funds**
The activities of CAF and the other charitable entities in the group (see note 2) include donations received on the understanding they will be held pending the donors' suggestions for onward donation to third-party charities. These are referred to below as DAFs (Donor Advised Funds) and for CAF itself include CAF Charity Accounts, CAF Company Accounts, and certain CAF Charitable Trusts.
- The conditions of donation under which funds are gifted into DAFs include that the donations are irrevocably gifted outright to the group charitable entity. This is indicative of the DAFs having the form of unrestricted funds, that is funds that may be spent or applied at the discretion of the relevant charity's trustees to further any of its purposes. However, the principal purpose of this condition of donation, is to provide protection, for instance, in a case where it is not possible for legal or regulatory constraints, to fulfil a donor's suggestion to make an onward donation to another charity.
- In the ordinary course of activities, there is no expectation that funds held in DAFs will be applied for any purpose other than onward gifting. This expectation is further affirmed by long-term practice by CAF and the other charities in the group. Should DAFs be used for general purposes at the discretion of the relevant charity's trustees (as unrestricted funds), the charity's operating model and reputation would be significantly damaged. Consequently, the application of the funds, other than for onward donations, would only ever be contemplated in response to an exceptional circumstance.
- Given the expectation that the funds will be applied for onward donation, the classification as unrestricted funds is not considered appropriate for donations to DAFs. The SORP recognises the inherent complexity of accounting for income from donations and consequently includes the provision that donations should be accounted for and presented in accordance with their substance and not simply their legal form.

Consequently, the Trustees of CAF consider that donations received into, and funds held in DAFs by CAF and by other charities in the group are better classified as restricted funds in CAF’s and the group’s financial statements.

The values of such funds for which this judgement has been exercised in CAF’s and the group financial statements are as follows:

	2025	2024
	£m	£m
Charities Aid Foundation	715.8	672.6
CAF America	165.6	164.8
CAF American Donor Fund	192.3	172.8
CAF Canada	17.3	16.0
	1,091.0	1,026.2

Legacies

Judgement has been applied in recognising income from legacies gifted to CAF. Legacies are recognised as income where receipt is probable, which is determined from a review of a number of criteria including grant of probate, sufficiency of assets and the existence of any conditions to be met.

Donations payable to charities

Judgement has been applied in the disclosure in the SOFA of payments to beneficiaries as ‘Donations payable to charities’. These amounts principally represent payments to beneficiary organisations for charitable purposes based on the suggestion of our donors (donor-advised payments). It is the group’s objective to be cause neutral and, within the requirements of relevant regulations, to support any charitable cause wherever in the world it may be. Consequently, the Trustees do not consider these donor-advised payments to be made in pursuit of a grantmaking programme to support organisations that operate in specific charitable sectors or geographical locations, or that are of a certain size.

Exceptionally, the group may from time-to-time make donor-advised payments to individuals rather than to organisations. However, such payments are made only in compliance with relevant regulations and following a successful assessment of the payment being for charitable purposes.

Intangible fixed assets

The intangible fixed assets of £15.9m represent CAF Bank’s investment in a new core banking system under its transformation programme. In assessing for impairment at the balance sheet date, management assesses the current status of the programme, the continued viability of the programme, any obsolescence within the programme and whether there will be an economic benefit to CAF Bank on completion of the programme. Management have concluded that the transformation programme will be taken to completion and will deliver economic benefits to the organisation when brought into use and has, therefore, not been impaired.

(b) Significant estimates

There are no sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1.19 Entity status

CAF meets the definition of a Public Benefit Entity under FRS 102.

2. CONSOLIDATION

The group financial statements include the accounts of CAF (the charity) and its subsidiary undertakings for the year.

Consolidated entities

The following entities are controlled by CAF and are consolidated in the group financial statements:

Trading subsidiaries

By way of mixed-motive investments, CAF owns 100% of the equity share capital of the following:

- CAF Bank Limited (registered in England & Wales – company number 01837656), a bank for charities authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority
- CAF Financial Solutions Limited (registered in England & Wales – company number 02771873), a company authorised and regulated by the Financial Conduct Authority, responsible for the marketing and promotion of regulated savings and investment products to charities and its subsidiaries and the sponsor of an Open Ended Investment Company (OEIC), namely, IFSL CAF Investment Fund.

UK registered charities

Southampton Row Trust Limited, which operates as the CAF American Donor Fund, is a UK charitable company registered with the Charity Commission (number 1079020) and is wholly-owned by CAF America (see below). CAF American Donor Fund supports cross-border tax-efficient giving by enabling individuals liable for tax in both the UK and USA to obtain tax relief on charitable gifts in each country.

Overseas charitable entities

CAF controls the following overseas charitable entities:

- CAF America, a US public charity recognised by the US Internal Revenue Service. CAF America provides US citizens with the opportunity to make tax-effective gifts for the support of overseas charities. CAF has the power to appoint and remove the members of CAF America at any time.
- CAF Canada, a Canadian charity registered with the Canadian Revenue Agency (Canadian charity number 801966334RR0001) of which CAF and CAF America are the only members.



3. RESULTS AND NET ASSETS OF SUBSIDIARIES

Due to the number of subsidiary undertakings, the disclosure required by the Charities SORP would result in information of excessive length being given. Detailed information is only given for those subsidiary undertakings that materially affect the group accounts being CAF Bank, CAF America and CAF American Donor Fund. The other entities, CAF Canada and CFSL, do not materially affect the group results.

	2025	2024		2025	2024
CAF Bank Limited	£000	£000		£000	£000
Profit and Loss Account			Balance Sheet		
			Assets		
Interest receivable	66,478	65,024	Loans and advances to		
Interest payable	(20,929)	(20,251)	banks & Bank of England	614,885	654,523
Net interest income	45,549	44,773	Loans and advances to		
Other operating income	1,755	1,768	customers	219,101	197,702
Administrative expenses	(32,825)	(27,659)	Debt securities	682,783	637,376
Movement in loan loss provision	184	(715)	Other assets	27,750	21,324
Profit on ordinary activities before taxation	14,663	18,167	Total assets	1,544,519	1,510,925
Tax on profit on ordinary activities	(3,522)	(4,542)	Liabilities		
Profit on ordinary activities after taxation	11,141	13,625	Depositors' balances	1,450,926	1,419,433
Profit and loss account balance brought forward	24,779	11,154	Other liabilities	17,354	26,394
Profit and loss account balance carried forward	35,920	24,779	Total liabilities	1,468,280	1,445,827
			Shareholders' funds	76,239	65,098
			Total liabilities and shareholders' funds	1,544,519	1,510,925

	2025	2024		2025	2024
CAF America	£000	£000		£000	£000
Statement of Financial Activities			Balance Sheet		
Donations and legacies receivable	665,365	568,860	Assets		
Income from group entities	1,760	171	Unrestricted funds	7,255	8,715
Fee income	14,500	13,667	Donor advised funds ¹	167,985	170,620
Investment income	6,120	6,744	Total assets	175,240	179,335
Total income	687,745	589,442			
Donations payable to charities	648,874	573,034	Liabilities		
Donations payable to group entities	8,403	8,172	Unrestricted funds	1,634	2,633
Direct costs of charitable activities	19,518	18,074	Donor advised funds ¹	2,425	5,825
Governance costs	161	117	Total liabilities	4,059	8,458
Total expenditure	676,956	599,397	Funds		
			Unrestricted funds	5,621	6,082
Net income/(expenditure) before net gains/(losses) on investments	10,789	(9,955)	Donor advised funds ¹	165,560	164,795
Net gains/(losses) on financial investments	(2,202)	2,228	Total funds	171,181	170,877
Net income/(expenditure) before other recognised gains/(losses)	8,587	(7,727)	Total liabilities and funds	175,240	179,335
Gains/(losses) on foreign exchange	(8,283)	1,199			
Net movement in funds	304	(6,528)			
Funds brought forward	170,877	177,405			
Funds carried forward	171,181	170,877			

Notes:

1. These funds represent donations received by CAF America on the understanding they will be held pending the donors' suggestions for onward distribution to third-party charities (donor advised funds). Therefore, they are treated as restricted funds within the group accounts. See note 1.18 (a).

	2025	2024		2025	2024
CAF American Donor Fund	£000	£000		£000	£000
Statement of Financial Activities			Balance Sheet		
Donations and legacies receivable	138,557	155,119	Assets		
Donations receivable from group entities	843	299	Unrestricted funds	3,875	2,251
Investment income	7,410	6,980	Donor advised funds ¹	192,568	174,333
Total income	146,810	162,398	Total assets	196,443	176,584
Donations payable to charities	117,034	112,175	Liabilities		
Donations payable to group entities	4,626	11,308	Unrestricted funds	356	176
Direct costs of charitable activities	76	225	Donor advised funds ¹	244	1,481
Direct costs paid to group entities	1,881	1,682	Total liabilities	600	1,657
Governance costs	117	61	Funds		
Total expenditure	123,734	125,451	Unrestricted funds	3,519	2,075
Net income before net gains/(losses) on investments	23,076	36,947	Donor advised funds ¹	192,324	172,852
Net gains on financial investments	664	4,020	Total funds	195,843	174,927
Net losses on other investments	-	(30)			
Net income before other recognised gains/(losses)	23,740	40,937	Total liabilities and funds	196,443	176,584
Gains/(losses) on foreign exchange	(2,824)	296			
Net movement in funds	20,916	41,233			
Funds brought forward	174,927	133,694			
Funds carried forward	195,843	174,927			

Notes:

1. These funds represent donations received by the CAF American Donor Fund on the understanding they will be held pending the donors’ suggestions for onward distribution to third-party charities (donor advised funds). Therefore, they are treated as restricted funds within the group accounts. See note 1.18 (a).

4. UK GOVERNMENT GRANTS

During the year CAF received £nil (2024: £233k) from the Foreign & Commonwealth Development Office (FCDO). No amounts were due to CAF from FCDO at 30 April 2025 (2024: £nil).

5. INVESTMENT INCOME

	Unrestricted		Restricted		Total	
	2025	2024	2025	2024	2025	2024
Group	£000	£000	£000	£000	£000	£000
Interest on fixed interest securities and cash deposits	29,456	29,006	10,454	10,726	39,910	39,732
Dividends	191	-	14,045	13,056	14,236	13,056
Interest on concessionary loans to charities	315	293	-	-	315	293
	29,962	29,299	24,499	23,782	54,461	53,081
Charity						
Interest on fixed interest securities and cash deposits	20,988	20,382	8,254	8,574	29,242	28,956
Dividends	191	-	11,388	10,771	11,579	10,771
Interest on concessionary loans to charities	270	241	-	-	270	241
	21,449	20,623	19,642	19,345	41,091	39,968

6. INCOME AND DONATIONS RECEIVED AND CHARITABLE ACTIVITIES EXPENDITURE

6.1 Group unrestricted funds

	Growing Philanthropy		Serving Charities				Total	Total
		CAF America and subsidiaries ²	Financial & donation services ³	CAF Network ¹	Grant making & sector support	Other funds	2025	2024
	Charity ¹						£000	£000
	£000	£000	£000	£000	£000	£000	£000	£000
Income								
Donations	4,424	1,820	15	-	-	10	6,269	6,185
Legacies	-	-	-	-	-	4,600	4,600	630
	4,424	1,820	15	-	-	4,610	10,869	6,815
Charitable activities:								
Fee income	6,593	15,148	4,014	-	1,051	-	26,806	25,250
CAF Bank net interest income	-	-	45,549	-	-	-	45,549	44,773
Investment income	20,239	8,973	438	-	312	-	29,962	29,299
Total income	31,256	25,941	50,016	-	1,363	4,610	113,186	106,137
Expenditure on charitable activities								
Donations payable to charities ⁴	1,673	-	21	1	7	-	1,702	5,086
Direct costs	15,798	20,929	28,900	434	3,047	-	69,108	61,956
Support costs								
Human resources	976	-	710	60	189	-	1,935	1,884
Property	955	-	983	79	165	-	2,182	2,773
Finance	2,669	-	567	199	519	-	3,954	3,712
Information systems	5,664	-	4,846	304	1,049	-	11,863	12,129
Governance costs	1,729	282	983	27	281	-	3,302	3,823
Total support costs	11,993	282	8,089	669	2,203	-	23,236	24,321
Total expenditure	29,464	21,211	37,010	1,104	5,257	-	94,046	91,363
Net income/(expenditure) before gains/(losses) on investments	1,792	4,730	13,006	(1,104)	(3,894)	4,610	19,140	14,774
Net losses on debt securities	-	-	-	-	-	(22)	(22)	(79)
Net gains on other investments	-	-	-	-	-	-	-	732
Net income/(expenditure)	1,792	4,730	13,006	(1,104)	(3,894)	4,588	19,118	15,427

For the above table, and subsequent tables in this note, summary comparative information only has been provided as it is considered that the provision of full comparatives would add a disproportionate volume of additional information, compared with the benefit obtained by the reader of the accounts.

Notes:

- Activities undertaken by CAF (the Charity).
- Activities undertaken by CAF America, CAF American Donor Fund and CAF Canada.
- Activities undertaken by CAF, CAF Bank Limited and CAF Financial Solutions Limited.
- Donations payable to charities includes £1.6m payable to NCVO for the period 1 May 2024 to 30 April 2025 as part of our ongoing commitment, which is payable in support of their representation of the interests of charities. £5.0m was paid in the prior year in respect of the period 1 May 2021 to 30 April 2024 following a review of the terms of CAF’s products and services.

6.2 Charity unrestricted funds

	Growing Philanthropy			Serving Charities				Total	
	Major donors	Regular givers	Companies	Financial & donation services ¹	CAF Network	Grant making & sector support	Other funds	2025	2024
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Income									
Donations	1,008	2,303	1,113	15	-	-	2,796	7,235	6,901
Legacies	-	-	-	-	-	-	4,600	4,600	630
	1,008	2,303	1,113	15	-	-	7,396	11,835	7,531
Charitable activities:									
Fee income	3,959	346	2,288	8,501	1,109	1,058	-	17,261	15,117
Investment income	10,238	5,061	4,940	898	-	312	-	21,449	20,623
Total income	15,205	7,710	8,341	9,414	1,109	1,370	7,396	50,545	43,271
Expenditure on charitable activities									
Donations payable to charities ²	955	523	195	21	1	7	-	1,702	5,086
Direct costs	5,677	2,631	7,489	3,614	434	3,048	-	22,893	20,409
Support costs									
Human resources	356	152	468	710	60	189	-	1,935	1,884
Property	325	157	473	983	79	165	-	2,182	2,773
Finance	975	414	1,280	567	199	519	-	3,954	3,712
Information systems	2,008	902	2,754	4,846	304	1,049	-	11,863	12,129
Governance costs	736	285	708	422	27	281	-	2,459	3,183
Total support costs	4,400	1,910	5,683	7,528	669	2,203	-	22,393	23,681
Total expenditure	11,032	5,064	13,367	11,163	1,104	5,258	-	46,988	49,176
Net income/(expenditure) before net gains/(losses) on investments	4,173	2,646	(5,026)	(1,749)	5	(3,888)	7,396	3,557	(5,905)
Net losses on debt securities	-	-	-	-	-	-	(22)	(22)	(79)
Net gains on other investments	-	-	-	-	-	-	-	-	732
Net income/(expenditure)	4,173	2,646	(5,026)	(1,749)	5	(3,888)	7,374	3,535	(5,252)

Notes:

- CAF's income and expenditure arising from activities delivered by CAF (CAF Venturesome and CAF Donate), management fees received from its subsidiaries (CAF Bank Limited and CAF Financial Solutions Limited) and CAF's associated costs.
- Donations payable to charities includes £1.6m payable to NCVO for the period 1 May 2024 to 30 April 2025 as part of our ongoing commitment, which is payable in support of their representation of the interests of charities. £5.0m was paid in the prior year in respect of the period 1 May 2021 to 30 April 2024 following a review of the terms of CAF's products and services.

6.3 Unrestricted funds — Allocation of support costs

Support costs of charitable activities comprise costs of certain central functions, which underpin the delivery of our services to support donors, charities and the sector and are shared across more than one of our activities. These shared functions provide support in areas such as information systems, premises, human resources, finance, executive management and governance. Where the costs of these shared functions cannot be attributed directly to an area of our activities, they are allocated on the basis of staff headcount.

No support costs are allocated to restricted funds.

6.4 Group restricted funds

	Growing Philanthropy		Serving Charities		Total	Total
	Charity ¹	CAF America and subsidiaries ²	Financial & donation services ³	Grant making & sector support ¹	2025	2024
	£000	£000	£000	£000	£000	£000
Income						
Donations	376,209	814,953	169	661	1,191,992	1,030,956
Legacies	53,395	7,517	-	-	60,912	33,715
Government grants	-	-	-	-	-	233
	429,604	822,470	169	661	1,252,904	1,064,904
Investment income	19,526	4,857	-	116	24,499	23,782
Total income	449,130	827,327	169	777	1,277,403	1,088,686
Expenditure on charitable activities						
Donations payable to charities	347,479	784,772	685	823	1,133,759	1,064,420
Direct costs	-	-	-	-	-	290
Total expenditure	347,479	784,772	685	823	1,133,759	1,064,710
Net income/(expenditure) before net gains/(losses) on investments	101,651	42,555	(516)	(46)	143,644	23,976
Net gains/(losses) on financial investments	17,703	(1,292)	-	-	16,411	73,469
Net gains/(losses) on other investments	22	-	(134)	-	(112)	(30)
Net income/(expenditure)	119,376	41,263	(650)	(46)	159,943	97,415

Terms and conditions vary between products. As a result, a portion of investment income on restricted funds awaiting charitable distribution is allocated to unrestricted funds (see note 6.1).

Notes:

- Activities undertaken by CAF (the Charity).
- Activities undertaken by CAF America, CAF American Donor Fund and CAF Canada.
- Activities undertaken by CAF, CAF Bank Limited and CAF Financial Solutions Limited.

6.5 Charity restricted funds

	Growing Philanthropy			Serving Charities		Total	Total
	Major donors	Regular givers	Companies	CAF Venturesome	Grant making	2025	2024
	£000	£000	£000	£000	£000	£000	£000
Income							
Donations	203,122	100,705	80,349	169	661	385,006	312,302
Legacies	53,450	-	-	-	-	53,450	30,293
Government grants	-	-	-	-	-	-	233
	256,572	100,705	80,349	169	661	438,456	342,828
Investment income	19,526	-	-	-	116	19,642	19,345
Total income	276,098	100,705	80,349	169	777	458,098	362,173
Expenditure on charitable activities							
Donations payable to charities	178,080	98,498	71,187	685	823	349,273	362,316
Direct costs	-	-	-	-	-	-	290
Total expenditure	178,080	98,498	71,187	685	823	349,273	362,606
Net income/(expenditure) before net gains/(losses) on investments	98,018	2,207	9,162	(516)	(46)	108,825	(433)
Net gains on financial investments	17,703	-	-	-	-	17,703	67,024
Net gains/(losses) on other investments	22	-	-	(134)	-	(112)	-
Net income/(expenditure)	115,743	2,207	9,162	(650)	(46)	126,416	66,591

Terms and conditions vary between products. As a result, a portion of investment income on restricted funds awaiting charitable distribution is allocated to unrestricted funds (see note 6.2).

7. GOVERNANCE COSTS

Governance costs include the following amounts:

	Group		Charity	
	2025 £000	2024 £000	2025 £000	2024 £000
Internal audit	284	309	135	167
Fees payable to the group external auditor, net of VAT:				
Audit of financial statements	971	897	610	610
Other services	76	65	-	-
Fees payable to component external auditor, net of VAT:				
Audit of financial statements	165	135	-	-
Trustees’ indemnity insurance	200	114	131	64

8. STAFF COSTS

	Charity		CAF America and subsidiaries		CAF Bank and other trading subsidiaries		Group	
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Salaries and wages	21,136	20,045	8,881	7,782	10,671	8,085	40,688	35,912
Social security costs	2,306	2,017	599	438	1,060	837	3,965	3,292
Defined contribution scheme pension costs	1,740	1,791	663	556	677	587	3,080	2,934
Training and welfare	970	763	1,050	327	133	1	2,153	1,091
	26,152	24,616	11,193	9,103	12,541	9,510	49,886	43,229
Other pension costs (see note 31)	66	247	-	-	-	-	66	247
	26,218	24,863	11,193	9,103	12,541	9,510	49,952	43,476

Throughout this note, where employees of the charity are assigned to duties exclusively for one of CAF’s subsidiaries, the associated staff costs and employee numbers are included within the figures for either ‘CAF America and subsidiaries’ or for ‘CAF Bank and other trading subsidiaries’.

Included within salaries and wages are redundancy and termination costs totalling £417k for the group and £155k for the Charity (2024: £188k for the group and £43k for the Charity). All amounts were paid during the year.

The average number of employees during the year was:

	Charity		CAF America and subsidiaries		CAF Bank and other trading subsidiaries		Group	
	2025 Number	2024 Number	2025 Number	2024 Number	2025 Number	2024 Number	2025 Number	2024 Number
Full-time and part-time employees	443	422	131	139	194	173	768	734
Full-time equivalent	425	406	130	139	186	164	741	709

Average number of full time equivalent employees analysed by function:

	2025	2024
Major donors	92	109
Regular givers	45	59
Companies	134	131
Financial and donation services	94	45
CAF International team	13	10
Grantmaking and sector support	47	51
Governance	-	1
Charity	425	406
CAF America and subsidiaries	130	139
CAF Bank and other trading subsidiaries	186	164
Group	741	709

Employee emoluments

Emoluments include gross salary, taxable benefits and one-off end-of-contract payments, such as redundancy, but exclude employer pension contributions.

The number of employees whose total emoluments exceeded £60,000 during the year is as follows:

	Charity		CAF America and subsidiaries		CAF Bank and other trading subsidiaries		Group	
	2025 Number	2024 Number	2025 Number	2024 Number	2025 Number	2024 Number	2025 Number	2024 Number
£60,001 - £70,000	33	29	26	10	8	4	67	43
£70,001 - £80,000	20	16	8	5	3	10	31	31
£80,001 - £90,000	14	7	7	6	11	3	32	16
£90,001 - £100,000	8	8	3	1	3	2	14	11
£100,001 - £110,000	8	3	2	5	2	2	12	10
£110,001 - £120,000	6	1	4	1	1	-	11	2
£120,001 - £130,000	1	1	-	-	1	1	2	2
£130,001 - £140,000	1	2	1	-	1	-	3	2
£140,001 - £150,000	4	-	-	1	-	1	4	2
£150,001 - £160,000	-	2	1	-	1	-	2	2
£160,001 - £170,000	2	1	-	-	-	-	2	1
£170,001 - £180,000	-	1	1	-	-	2	1	3
£180,001 - £190,000	-	-	-	-	2	1	2	1
£190,001 - £200,000	1	1	-	1	1	-	2	2
£200,001 - £210,000	-	-	-	-	1	-	1	-
£210,001 - £220,000	-	-	-	-	-	1	-	1
£220,001 - £230,000	-	-	-	-	1	-	1	-
£240,001 - £250,000	-	1	-	1	-	-	-	2
£250,001 - £260,000	1	-	1	-	-	-	2	-
£260,001 - £270,000	-	-	1	-	-	-	1	-
£290,001 - £300,000	1	1	-	-	-	-	1	1
£300,001 - £310,000	-	-	-	-	-	1	-	1
£310,001 - £320,000	-	-	1	-	1	-	2	-
£350,001 - £360,000	-	-	-	1	-	-	-	1
	100	74	56	32	37	28	193	134

The highest paid role for the year ended 30 April 2025 is the CEO of CAF Bank and CAF Financial Solutions Limited. The highest paid role in the year ended 30 April 2024 for the group was the former President and CEO of CAF America whose emoluments are paid in US dollars. The average exchange rate for the year was \$1.281:£1 (2024: \$1.257:£1).

The Group Chief Executive received salary and benefits of £297k (2024: £291k) and employer pension contributions of £34k (2024: £33k).

Pension contributions

Pension contributions paid in respect of the employees included in the preceding table are as follows:

	Charity		CAF America and subsidiaries		CAF Bank and other trading subsidiaries		Group	
	2025 Number	2024 Number	2025 Number	2024 Number	2025 Number	2024 Number	2025 Number	2024 Number
Number of employees	99	73	54	32	34	27	187	132
	£000	£000	£000	£000	£000	£000	£000	£000
Aggregate value of contributions	785	602	443	268	287	231	1,515	1,101

Key management personnel

The key management personnel of the group are the Trustees of the charity and members of the Group Executive Committee.

The Trustees receive no remuneration for their services, but may be reimbursed for out-of-pocket expenses in respect of attending meetings and carrying out duties on behalf of CAF. Expenses of £3,488 were reimbursed during the year (2024: £526).

Total salary and employee benefits for members of the Group Executive Committee during the year amounted to £2,049,897 (2024: £1,936,020) plus pension contributions of £134,682 (2024: £115,616). Employers’ National Insurance contributions amounted to £231,305 (2024: £188,986).

9. TAXATION

CAF is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and, therefore, it meets the definition of a charitable trust for UK Income Tax purposes. Accordingly, the charity is exempt from taxation in respect of income or capital gains received within categories covered by Part 10 of the Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Consequently, no tax charge has arisen in the current or preceding year for the charity.

A Corporation Tax charge for the year of £3.5m (2024: £4.5m) arose for the group which is attributable to CAF Bank Limited.

	Group	
	2025 £000	2024 £000
Tax expense:		
Profit on ordinary activities before tax	14,661	18,167
Reconciliation to tax expense		
Profit on ordinary activities before tax at 25.0% (2024: 25.0%)	3,665	4,542
Amounts relating to other comprehensive income	7	-
Adjustment in respect of prior periods	(311)	-
Deferred tax - adjustment in respect of prior periods	161	-
Tax charge	3,522	4,542

10. LOANS AND ADVANCES TO BANKS

	Unrestricted funds		Restricted funds		CAF Bank balances and donor client balances		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	£000	£000	£000	£000	£000	£000	£000	£000
Group								
On demand and short-term deposits	52,032	46,506	253,833	301,671	8,800	30,604	314,665	378,781
Remaining maturity of other loans and advances:								
Less than 6 months	-	-	209,793	141,722	-	-	209,793	141,722
Between 6 months and 1 year	-	-	57,145	74,523	-	-	57,145	74,523
	52,032	46,506	520,771	517,916	8,800	30,604	581,603	595,026

	Unrestricted funds		Restricted funds		Donor client balances		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	£000	£000	£000	£000	£000	£000	£000	£000
Charity								
On demand and short-term deposits	42,740	37,300	93,137	137,569	4,594	6,613	140,471	181,482
Remaining maturity of other loans and advances:								
Less than 6 months	-	-	182,287	113,216	-	-	182,287	113,216
Between 6 months and 1 year	-	-	29,639	54,523	-	-	29,639	54,523
	42,740	37,300	305,063	305,308	4,594	6,613	352,397	349,221

11. LOANS AND ADVANCES TO CUSTOMERS

	Unrestricted funds		Restricted funds		CAF Bank balances and donor client balances		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	£000	£000	£000	£000	£000	£000	£000	£000
Concessionary loans:								
CAF Venturesome loans to charities	-	121	1,587	1,729	-	-	1,587	1,850
CAF Charitable Trust loans to charities	-	-	1,998	1,271	-	-	1,998	1,271
Charity	-	121	3,585	3,000	-	-	3,585	3,121
CAF Bank loans to charities and social purpose enterprises	-	-	-	-	219,101	197,702	219,101	197,702
CADF loans to charities	-	-	751	801	-	-	751	801
CAF Canada loans to charities	-	-	4,334	4,937	-	-	4,334	4,937
Group	-	121	8,670	8,738	219,101	197,702	227,771	206,561

11. LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

	Group		Charity	
	2025	2024	2025	2024
	£000	£000	£000	£000
Maturity				
Amounts receivable in less than one year				
CAF Venturesome loans to charities	1,865	332	1,865	332
CAF Charitable Trust loans to charities	1,724	715	1,724	715
CAF Bank loans	7,143	8,769	-	-
CAF Canada loan to charities	703	748	-	-
	11,435	10,564	3,589	1,047
Amounts receivable in one to five years				
CAF Venturesome loans to charities	1,941	3,943	1,941	3,943
CAF Charitable Trust loans to charities	435	1,256	435	1,256
CAF Bank loans	28,322	24,786	-	-
CADF loans to charities	751	801	-	-
CAF Canada loan to charities	1,616	1,712	-	-
	33,065	32,498	2,376	5,199
Amounts receivable in more than five years				
CAF Venturesome loans to charities	671	119	671	119
CAF Charitable Trust loans to charities	555	-	555	-
CAF Bank loans	187,898	168,425	-	-
CAF Canada loan to charities	2,015	2,477	-	-
	191,139	171,021	1,226	119
Less: Deferred income and provisions				
CAF Venturesome loans to charities	(2,891)	(2,544)	(2,891)	(2,544)
CAF Charitable Trust loans to charities	(715)	(700)	(715)	(700)
CAF Bank loans	(4,262)	(4,278)	-	-
	(7,868)	(7,522)	(3,606)	(3,244)
Total loans	227,771	206,561	3,585	3,121

12. DEBT SECURITIES

	Group				Charity			
	Book value		Market value		Book value		Market value	
	2025	2024	2025	2024	2025	2024	2025	2024
	£000	£000	£000	£000	£000	£000	£000	£000
Restricted funds								
Listed:								
UK Government	20,045	19,755	20,058	20,000	20,045	19,755	20,058	20,000
Multilateral financial institutions	215,916	130,928	215,476	130,519	215,916	130,928	215,476	130,519
Fixed coupon corporate bonds	34,422	50,563	32,469	47,815	34,422	50,563	32,469	47,815
	270,383	201,246	268,003	198,334	270,383	201,246	268,003	198,334
Unlisted:								
Certificates of deposit	92,532	123,821	92,469	125,859	55,000	95,000	54,937	97,038
	92,532	123,821	92,469	125,859	55,000	95,000	54,937	97,038
	362,915	325,067	360,472	324,193	325,383	296,246	322,940	295,372
CAF Bank balances								
Listed:								
Multilateral financial institutions	563,083	511,053	555,768	489,173	-	-	-	-
Fixed coupon corporate bonds	59,570	49,368	59,347	47,900	-	-	-	-
Floating rate corporate bonds	60,130	76,955	60,133	76,853	-	-	-	-
	682,783	637,376	675,248	613,926	-	-	-	-
Total debt securities	1,045,698	962,443	1,035,720	938,119	325,383	296,246	322,940	295,372

12. DEBT SECURITIES (CONTINUED)

	Group		Charity	
	Book value		Book value	
	2025 £000	2024 £000	2025 £000	2024 £000
Maturity				
Up to 6 months	59,472	89,672	2,650	70,081
Between 6 months and 1 year	194,319	242,075	70,155	116,993
	253,791	331,747	72,805	187,074
Between 1 year and 5 years	724,226	617,562	184,897	104,619
	978,017	949,309	257,702	291,693
Over 5 years	67,681	13,134	67,681	4,553
Total debt securities	1,045,698	962,443	325,383	296,246
Unamortised discounts/(premiums)	(10,947)	(13,085)	(720)	764

In accordance with FRS 102 debt securities are measured at amortised cost using the effective interest method.

	Cost	Amortisation	Book value
Group	£000	£000	£000
Restricted funds			
At 1 May 2024	326,498	(1,431)	325,067
Acquisitions	252,493	56	252,549
Disposals	(1,454)	132	(1,322)
Redemptions	(212,531)	610	(211,921)
Amortisation	-	340	340
Foreign exchange gains	(1,798)	-	(1,798)
At 30 April 2025	363,208	(293)	362,915
CAF Bank balances and donor client balances			
At 1 May 2024	635,548	1,828	637,376
Acquisitions	157,005	(41)	156,964
Redemptions	(117,369)	1,771	(115,598)
Amortisation	-	4,041	4,041
At 30 April 2025	675,184	7,599	682,783
Total	1,038,392	7,306	1,045,698

	Cost	Amortisation	Book value
Charity	£000	£000	£000
Restricted funds			
At 1 May 2024	297,677	(1,431)	296,246
Acquisitions	241,984	56	242,040
Disposals	(1,454)	132	(1,322)
Redemptions	(212,531)	610	(211,921)
Amortisation	-	340	340
At 30 April 2025	325,676	(293)	325,383

13. FINANCIAL INVESTMENTS

Restricted funds

The following tables show the carrying amounts of investments held by the group at fair value and represent restricted funds held for CAF Charitable Trusts, CAF America and CAF Canada Donor Advised Funds and CAF American Donor Fund Trusts (collectively “Trust funds”). They do not include fair value information for other financial assets and liabilities held by the group which are not measured at fair value.

Nature of Trust funds

Trust funds are held pending onward donation suggestions from clients. Until such suggestions are received there is no constructive obligation or liability to pay a defined amount within a set time period. Donors typically hold a portion of these funds in cash in order to meet their short-term giving expectations and invest funds to meet their medium to long-term philanthropic objectives. Donors plan donation suggestions by reference to the market values and liquidity profile of the assets held for their trust fund.

	Group		Charity	
	2025 £000	2024 £000	2025 £000	2024 £000
Restricted funds				
At 1 May	967,603	817,717	870,005	750,244
Additions	292,268	326,439	228,211	211,074
Disposal proceeds	(245,580)	(250,022)	(192,773)	(158,337)
Net investment gains/(losses)	16,411	73,469	17,703	67,024
	1,030,702	967,603	923,146	870,005
Investment portfolio cash and settlements pending	7,619	12,013	5,619	4,530
At 30 April	1,038,321	979,616	928,765	874,535
Historical cost of investments	898,378	828,014	797,556	735,450

Measurement of fair values

The following hierarchy is used to estimate the fair value of investments:

- Level 1** The quoted price for an identical asset in an active market.
- Level 2** When quoted prices are unavailable, the fair value is taken as the price of a recent transaction for an identical asset. No investments were held in this category as at 30 April 2025 or 30 April 2024.
- Level 3** If the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, a valuation technique is used to estimate the fair value. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arm’s length exchange motivated by normal business considerations. If the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed, the assets are valued at cost less impairment until a reliable measure of fair value becomes available.

13. FINANCIAL INVESTMENTS (CONTINUED)

	Level 1		Level 3		Total	
	2025	2024	2025	2024	2025	2024
Group	£000	£000	£000	£000	£000	£000
Represented by:						
Listed securities:						
UK Government fixed interest	35,791	25,462	-	-	35,791	25,462
Overseas Government fixed interest	2,374	5,337	-	-	2,374	5,337
Other fixed interest	10,147	7,701	-	-	10,147	7,701
UK equities	30,391	32,334	-	-	30,391	32,334
Overseas equities	89,350	79,414	-	-	89,350	79,414
CAF investment funds:						
IFSL CAF Funds	157,241	128,679	-	-	157,241	128,679
Unit trusts and other pooled investments	667,693	653,625	-	-	667,693	653,625
Investment trusts	35,291	32,742	-	-	35,291	32,742
Unlisted investments:						
UK	-	-	2,424	2,309	2,424	2,309
	1,028,278	965,294	2,424	2,309	1,030,702	967,603
Investment portfolio cash and settlements pending	7,619	12,013	-	-	7,619	12,013
	1,035,897	977,307	2,424	2,309	1,038,321	979,616

	Level 1		Level 3		Total	
	2025	2024	2025	2024	2025	2024
Charity	£000	£000	£000	£000	£000	£000
Represented by:						
Listed securities:						
UK Government fixed interest	35,791	24,659	-	-	35,791	24,659
Overseas Government fixed interest	2,022	4,480	-	-	2,022	4,480
Other fixed interest	7,582	7,701	-	-	7,582	7,701
UK equities	29,436	31,804	-	-	29,436	31,804
Overseas equities	66,968	62,479	-	-	66,968	62,479
CAF investment funds:						
IFSL CAF Funds	157,013	128,495	-	-	157,013	128,495
Unit trusts and other pooled investments	587,060	575,930	-	-	587,060	575,930
Investment trusts	34,850	32,148	-	-	34,850	32,148
Unlisted investments:						
UK	-	-	2,424	2,309	2,424	2,309
	920,722	867,696	2,424	2,309	923,146	870,005
Investment portfolio cash and settlements pending	5,619	4,530	-	-	5,619	4,530
	926,341	872,226	2,424	2,309	928,765	874,535

14. OTHER INVESTMENTS

	Unrestricted funds		Restricted funds		Total	
	2025	2024	2025	2024	2025	2024
Group	£000	£000	£000	£000	£000	£000
Investment properties	-	-	1,300	4,600	1,300	4,600
Unlisted investments	4,829	4,829	726	725	5,555	5,554
Other	-	-	464	68	464	68
	4,829	4,829	2,490	5,393	7,319	10,222

	Unrestricted funds		Restricted funds		Total	
	2025	2024	2025	2024	2025	2024
Charity	£000	£000	£000	£000	£000	£000
Investment properties	-	-	1,300	4,600	1,300	4,600
Unlisted investments	4,829	4,829	726	725	5,555	5,554
Other	-	-	400	-	400	-
	4,829	4,829	2,426	5,325	7,255	10,154

	Unrestricted funds	Restricted funds	Total
Group	£000	£000	£000
As at 1 May 2024	4,829	5,393	10,222
Additions	-	575	575
Disposal proceeds	-	(3,362)	(3,362)
Gain on disposal	-	22	22
Revaluation	-	(134)	(134)
Foreign exchange movements	-	(4)	(4)
At 30 April 2025	4,829	2,490	7,319

	Unrestricted funds	Restricted funds	Total
Charity	£000	£000	£000
As at 1 May 2024	4,829	5,325	10,154
Additions	-	575	575
Disposal proceeds	-	(3,362)	(3,362)
Gain on disposal	-	22	22
Revaluation	-	(134)	(134)
At 30 April 2025	4,829	2,426	7,255

For the sole investment property held in restricted funds in CAF, the valuation was carried out by an independent, qualified chartered surveyor, Berrys as at 30 April 2024. The valuation was carried out in accordance with the guidelines of the Royal Institution of Chartered Surveyors.

15. SUBSIDIARY UNDERTAKINGS

	Ordinary share capital	Sub-ordinated debt	Total
Charity	£000	£000	£000
At 1 May 2024 and 30 April 2025	41,700	5,000	46,700

Details of the entities held as subsidiary undertakings are disclosed in note 2 of these financial statements.

16. TANGIBLE FIXED ASSETS

	Long leasehold property & improvements	Other leasehold improvements	Furniture fittings & computer equipment	Total
Group - unrestricted funds	£000	£000	£000	£000
Cost or valuation				
At 1 May 2024	3,200	969	2,665	6,834
Foreign exchange movements	-	(7)	(8)	(15)
At 30 April 2025	3,200	962	2,657	6,819
Depreciation				
At 1 May 2024	300	170	2,663	3,133
Charged in year	97	124	2	223
Foreign exchange movements	-	(7)	(8)	(15)
At 30 April 2025	397	287	2,657	3,341
Net book value				
At 30 April 2025	2,803	675	-	3,478
At 30 April 2024	2,900	799	2	3,701

	Long leasehold property & improvements	Other leasehold improvements	Furniture fittings & computer equipment	Total
Charity - unrestricted funds	£000	£000	£000	£000
Cost or valuation				
At 1 May 2024 and 30 April 2025	3,200	849	2,527	6,576
Depreciation				
At 1 May 2024	300	89	2,527	2,916
Charged in year	97	117	-	214
At 30 April 2025	397	206	2,527	3,130
Net book value				
At 30 April 2025	2,803	643	-	3,446
At 30 April 2024	2,900	760	-	3,660

Long-leasehold property

The long-leasehold property consists of the lease to the year 2190 on the land and buildings occupied by CAF as its principal place of business. The property is held at valuation and was valued at 30 April 2025 by CBRE, Chartered Surveyors. The valuation was carried out in accordance with the guidelines of the Royal Institution of Chartered Surveyors. The open market value, on a vacant possession basis, at that date was estimated at £2.7m (2024: £2.9m), giving rise to an unrecognised impairment loss of £0.1m at the balance sheet date.

A revaluation in accordance with appropriate professional guidelines will be carried out when needed to ensure valuation is kept up-to-date.

The historical cost carrying value of the property and improvements at the balance sheet date was £3.2m (2024: £3.2m).

17. INTANGIBLE FIXED ASSETS

	Development cost
Group - unrestricted funds	£000
Cost or valuation	
At 1 May 2024	10,758
Additions	5,150
At 30 April 2025	15,908

Intangible fixed assets represent software development costs associated with the development of a banking system for CAF Bank Limited, which went live after the year end in June 2025. They have been capitalised in accordance with FRS 102 Section 18, Intangible Assets Other than Goodwill. CAF Bank Limited performed an impairment review of its capitalised development costs as at 30 April 2025 in accordance with FRS 102 Section 27. Based on the review, no indicators of impairment were identified to the carrying value of the asset. Accordingly, no impairment has been recognised in the current period.

18. OTHER DEBTORS

Balances falling due within one year.

	Unrestricted funds		Restricted funds		Total	
	2025	2024	2025	2024	2025	2024
Group	£000	£000	£000	£000	£000	£000
Income Tax recoverable	-	-	15,181	10,309	15,181	10,309
Other debtors	1,182	1,928	4,698	1,905	5,880	3,833
	1,182	1,928	19,879	12,214	21,061	14,142

	Unrestricted funds		Restricted funds		Total	
	2025	2024	2025	2024	2025	2024
Charity	£000	£000	£000	£000	£000	£000
Amounts due from subsidiary undertakings	3,802	2,005	-	-	3,802	2,005
Income Tax recoverable	-	-	14,474	3,239	14,474	3,239
Other debtors	544	671	4,305	1,352	4,849	2,023
	4,346	2,676	18,779	4,591	23,125	7,267

19. PREPAYMENTS AND ACCRUED INCOME

Balances falling due within one year.

	Unrestricted funds		Restricted funds		CAF Bank balances and donor client balances		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	£000	£000	£000	£000	£000	£000	£000	£000
Group								
Prepayments	4,148	4,349	-	-	-	-	4,148	4,349
Accrued income								
Legacy income	4,008	1,622	49,780	23,161	-	-	53,788	24,783
Interest receivable	7,263	10,615	1,301	1,858	9,134	8,486	17,698	20,959
Other income	1,464	550	846	103	-	-	2,310	653
	16,883	17,136	51,927	25,122	9,134	8,486	77,944	50,744

	Unrestricted funds		Restricted funds		Total	
	2025	2024	2025	2024	2025	2024
	£000	£000	£000	£000	£000	£000
Charity						
Prepayments	1,873	2,011	-	-	1,873	2,011
Accrued income						
Legacy income	4,008	1,622	41,235	22,040	45,243	23,662
Interest receivable	5,178	9,059	1,284	1,766	6,462	10,825
Other income	1,165	372	635	103	1,800	475
	12,224	13,064	43,154	23,909	55,378	36,973

A portion of accrued legacy income may be received after more than one year from the balance sheet date but this figure cannot be determined with any accuracy due to the inherent uncertainty in the timing of legacy income receipts.

20. CAF BANK DEPOSITOR BALANCES

	CAF Bank balances and donor client balances	
	2025	2024
	£000	£000
Group		
Repayable on demand	1,442,173	1,408,503
Repayable within 30 days	8,747	10,924
	1,450,920	1,419,427

21. DONOR CLIENT BALANCES

The following represent donations to other charities that are being processed by CAF:

	At 1 May 2024	Amounts received from donors	Amounts received from CAF	Amounts paid to charities	Donations paid to CAF	At 30 April 2025
Group and charity	£000	£000	£000	£000	£000	£000
CAF Give As You Earn	5,673	61,787	1,371	(22,893)	(42,383)	3,555
CAF Donate	534	46,599	-	(46,828)	-	305
	6,207	108,386	1,371	(69,721)	(42,383)	3,860

	At 1 May 2023	Amounts received	Amounts received from CAF	Amounts paid to charities	Donations paid to CAF	At 30 April 2024
Group and charity	£000	£000	£000	£000	£000	£000
CAF Give As You Earn	6,238	60,299	1,389	(21,129)	(41,124)	5,673
CAF Donate	891	46,754	-	(47,111)	-	534
	7,129	107,053	1,389	(68,240)	(41,124)	6,207

22. DUE TO BENEFICIARY CHARITIES

	Restricted funds	
	2025	2024
	£000	£000
Group		
Payable within 1 year	6,622	14,880
Payable between 1 and 5 years	1,098	2,922
	7,720	17,802

	Restricted funds	
	2025	2024
	£000	£000
Charity		
Payable within 1 year	3,993	8,887
Payable between 1 and 5 years	1,098	2,922
	5,091	11,809

Amounts due to beneficiary charities represent constructive obligations, principally in respect of longer-term donor suggestions.

23. OTHER CREDITORS

Balances fall due within one year except where stated below.

	Unrestricted funds		Restricted funds		CAF Bank balances and donor client balances		Total	
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Group								
Payable on acquisition of investments	-	-	213	400	-	-	213	400
Trade creditors	3,443	3,449	-	-	-	-	3,443	3,449
Tax and social security	966	1,138	-	-	-	-	966	1,138
Other creditors	6,542	2,731	6,028	5,916	734	406	13,304	9,053
	10,951	7,318	6,241	6,316	734	406	17,926	14,040

	Unrestricted funds		Restricted funds		Donor client balances		Total	
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Charity								
Amounts owed to subsidiary undertakings	-	130	-	-	-	-	-	130
Payable on acquisition of investments	-	-	213	400	-	-	213	400
Trade creditors	1,397	1,078	-	-	-	-	1,397	1,078
Tax and social security	966	1,138	-	-	-	-	966	1,138
Other creditors	994	113	6,028	5,916	734	406	7,756	6,435
	3,357	2,459	6,241	6,316	734	406	10,332	9,181

Included within other creditors are amounts totalling £0.2m (2024: £1.1m) repayable to six (2024: seven) third-party investors of CAF Venturesome. Amounts are repayable within three or six months from receipt of written instruction. These concessionary loans do not bear interest and amounts are repaid net of any losses that may be incurred as a result of onward lending by CAF Venturesome, on a concessionary basis to charities and social enterprises.

24. REPURCHASE AGREEMENTS

In CAF Bank, repurchase agreements total £nil (2024: £13.9m). The corresponding carrying value of assets of £nil (2024: £14.7m) sold under sale and repurchase agreements is included within debt securities (note 12).

25. LONG-TERM LOANS

	2026 Loan		2031 Loan		Total carrying value	
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Group and charity						
Unrestricted funds						
At 1 May	7,163	7,142	30,006	29,959	37,169	37,101
Amortisation of capitalised costs	22	21	48	46	70	67
Interest payable for the year	369	368	1,083	1,082	1,452	1,450
Interest paid	(368)	(368)	(1,082)	(1,081)	(1,450)	(1,449)
At 30 April	7,186	7,163	30,055	30,006	37,241	37,169

	2026 Loan		2031 Loan		Total carrying value	
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Payable						
Less than 3 months	-	-	422	422	422	422
Between 3 months and 6 months	19	18	-	-	19	18
Between 6 months and 1 year	7,167	-	-	-	7,167	-
	7,186	18	422	422	7,608	440
Between 1 year and 5 years	-	7,145	-	-	-	7,145
	7,186	7,163	422	422	7,608	7,585
Over 5 years	-	-	29,633	29,584	29,633	29,584
	7,186	7,163	30,055	30,006	37,241	37,169

To support CAF’s work to grow the impact of charitable donations from the donors we work with, in December 2021, RCB Bonds PLC (RCB) issued the CAF 3.5% bond due in 2031. RCB raised £30.0m from institutional and retail investors and the full amount has been loaned to CAF under the terms of a loan agreement between CAF and RCB. CAF retains the option to request the issue of further bonds. This may be bonds up to a maximum of a further £20.0m, with proceeds to be loaned by RCB to CAF.

In addition to supporting CAF’s future growth and transformation plans, the proceeds arising in December 2021 were used in part to settle a tender offer under which CAF bought back £12.8m of the previously issued CAF 5% bonds due in 2026. These were issued by RCB in 2016 and raised £20.0m and the full amount raised was loaned to CAF under the terms of a loan agreement between CAF and RCB.

Loan payable 2031

The loan is repayable to RCB in full in December 2031. Interest is payable at a rate of 3.5% per annum.

Loan payable 2026

The loan is repayable to RCB in full in April 2026. Interest is payable at a rate of 5% per annum.

Associated costs

In respect of each of the above loans, bond-issue costs and other costs associated with the advance of the loans, including legal and accountancy fees, have been capitalised and are being amortised over the term of the relevant loan.

26. STATEMENT OF FUNDS

		At 1 May 2024	Income and donations received	Expenditure on charitable activities	Transfers	Taxation and recognised gains & losses	At 30 April 2025
	Notes	£000	£000	£000	£000	£000	£000
Group							
Unrestricted funds	26.1	98,496	113,186	(94,046)	2,279	(4,737)	115,178
Restricted funds	26.2	1,848,467	1,277,403	(1,133,759)	(2,279)	1,130	1,990,962
		1,946,963	1,390,589	(1,227,805)	-	(3,607)	2,106,140
Charity							
Unrestricted funds	26.1	66,068	50,545	(46,988)	1,747	(793)	70,579
Restricted funds	26.2	1,494,789	458,098	(349,273)	(1,747)	13,956	1,615,823
		1,560,857	508,643	(396,261)	-	13,163	1,686,402

		At 1 May 2023	Income and donations received	Expenditure on charitable activities	Transfers	Taxation and recognised gains & losses	At 30 April 2024
	Notes	£000	£000	£000	£000	£000	£000
Group							
Unrestricted funds	26.1	84,051	106,137	(91,363)	3,213	(3,542)	98,496
Restricted funds	26.2	1,753,282	1,088,686	(1,064,710)	(3,213)	74,422	1,848,467
		1,837,333	1,194,823	(1,156,073)	-	70,880	1,946,963
Charity							
Unrestricted funds	26.1	67,814	43,271	(49,176)	3,213	946	66,068
Restricted funds	26.2	1,431,755	362,173	(362,606)	(3,213)	66,680	1,494,789
		1,499,569	405,444	(411,782)	-	67,626	1,560,857

26.1 Unrestricted funds

	At 1 May 2024	Income and donations received	Expenditure on charitable activities	Transfers	Taxation and recognised gains & losses	At 30 April 2025
	£000	£000	£000	£000	£000	£000
Group						
General funds	98,496	113,186	(94,046)	2,279	(4,737)	115,178
	98,496	113,186	(94,046)	2,279	(4,737)	115,178
Charity						
General funds	66,068	50,545	(46,988)	1,747	(793)	70,579
	66,068	50,545	(46,988)	1,747	(793)	70,579

	At 1 May 2023	Income and donations received	Expenditure on charitable activities	Transfers	Taxation and recognised gains & losses	At 30 April 2024
	£000	£000	£000	£000	£000	£000
Group						
General funds	84,051	106,137	(91,363)	3,213	(3,542)	98,496
	84,051	106,137	(91,363)	3,213	(3,542)	98,496
Charity						
General funds	67,814	43,271	(49,176)	3,213	946	66,068
	67,814	43,271	(49,176)	3,213	946	66,068

General funds – comprise accumulated operating surpluses, income from investments, legacies and other gifts received.

Transfers from restricted funds to unrestricted funds – transfers from restricted funds include amounts from dormant donors and from funds for which the original donor or legator has provided no wishes for the distribution of funds upon their death. All transfers from restricted funds are applied for the general charitable purposes of CAF, in support of CAF’s transformation plans.

26. STATEMENT OF FUNDS (CONTINUED)

26.2 Restricted funds

	At 1 May 2024	Income and donations received	Expenditure on charitable activities	Transfers	Taxation and recognised gains & losses	At 30 April 2025
Group	£000	£000	£000	£000	£000	£000
Growing philanthropy						
Major donors						
CAF Charitable Trusts	1,298,880	275,642	(177,913)	(3,519)	14,256	1,407,346
Regular givers						
CAF Charity Accounts	98,186	60,911	(61,588)	(57)	-	97,452
CAF Give As You Earn Charity Accounts	44,135	39,794	(36,910)	620	-	47,639
	142,321	100,705	(98,498)	563	-	145,091
Companies						
CAF Company Accounts	39,582	72,783	(71,068)	6,474	(166)	47,605
Charity	1,480,783	449,130	(347,479)	3,518	14,090	1,600,042
CAF America	164,796	666,355	(648,875)	(6,657)	(10,060)	165,559
CAF American Donor Fund	172,847	140,397	(117,087)	(1,611)	(2,221)	192,325
CAF Canada	16,035	20,575	(18,810)	-	(545)	17,255
CAF America and subsidiaries	353,678	827,327	(784,772)	(8,268)	(12,826)	375,139
Serving charities						
CAF Venturesome	7,623	169	(685)	(936)	(134)	6,037
Financial & donation services	7,623	169	(685)	(936)	(134)	6,037
Community Match Challenge	1	-	(1)	-	-	-
CAF discretionary funds	6,382	777	(822)	3,407	-	9,744
Grantmaking & sector support	6,383	777	(823)	3,407	-	9,744
	1,848,467	1,277,403	(1,133,759)	(2,279)	1,130	1,990,962

26.2 Restricted funds (continued)

	At 1 May 2024	Income and donations received	Expenditure on charitable activities	Transfers	Taxation and recognised gains & losses	At 30 April 2025
Charity	£000	£000	£000	£000	£000	£000
Growing philanthropy						
Major donors						
CAF Charitable Trusts	1,298,880	276,098	(178,080)	(3,808)	14,256	1,407,346
Regular givers						
CAF Charity Accounts	98,186	60,911	(61,588)	(57)	-	97,452
CAF Give As You Earn Charity Accounts	44,135	39,794	(36,910)	620	-	47,639
	142,321	100,705	(98,498)	563	-	145,091
Companies						
CAF Company Accounts	39,582	80,349	(71,187)	(973)	(166)	47,605
Serving charities						
CAF Venturesome						
Financial & donation services	7,623	169	(685)	(936)	(134)	6,037
Grantmaking						
Community Match Challenge	1	-	(1)	-	-	-
CAF discretionary funds	6,382	777	(822)	3,407	-	9,744
	6,383	777	(823)	3,407	-	9,744
	1,494,789	458,098	(349,273)	(1,747)	13,956	1,615,823

26. STATEMENT OF FUNDS (CONTINUED)

26.2 Restricted funds (continued)

	At 1 May 2023	Income and donations received	Expenditure on charitable activities	Transfers	Recognised gains & losses	At 30 April 2024
Group	£000	£000	£000	£000	£000	£000
Growing philanthropy						
Major donors						
CAF Charitable Trusts	1,225,532	177,774	(176,452)	5,360	66,666	1,298,880
Regular givers						
CAF Charity Accounts	104,063	55,152	(62,679)	1,650	-	98,186
CAF Give As You Earn Charity Accounts	41,711	38,920	(36,490)	(6)	-	44,135
	145,774	94,072	(99,169)	1,644	-	142,321
Companies						
CAF Company Accounts	45,417	72,506	(85,019)	6,664	14	39,582
Charity	1,416,723	344,352	(360,640)	13,668	66,680	1,480,783
CAF America	173,044	569,405	(573,034)	(8,015)	3,396	164,796
CAF American Donor Fund	132,453	157,001	(112,355)	(8,509)	4,257	172,847
CAF Canada	16,030	16,650	(16,734)	-	89	16,035
CAF America and subsidiaries	321,527	743,056	(702,123)	(16,524)	7,742	353,678
Serving charities						
CAF Venturesome	8,763	400	(369)	(1,171)	-	7,623
Financial & donation services	8,763	400	(369)	(1,171)	-	7,623
Community Match Challenge	2	233	(734)	500	-	1
CAF discretionary funds	6,267	645	(844)	314	-	6,382
Grantmaking & sector support	6,269	878	(1,578)	814	-	6,383
	1,753,282	1,088,686	(1,064,710)	(3,213)	74,422	1,848,467

26.2 Restricted funds (continued)

	At 1 May 2023	Income and donations received	Expenditure on charitable activities	Transfers	Recognised gains & losses	At 30 April 2024
Charity	£000	£000	£000	£000	£000	£000
Growing philanthropy						
Major donors						
CAF Charitable Trusts	1,225,532	186,425	(176,458)	(3,285)	66,666	1,298,880
Regular givers						
CAF Charity Accounts	104,063	55,152	(62,692)	1,663	-	98,186
CAF Give As You Earn Charity Accounts	41,711	38,920	(36,490)	(6)	-	44,135
	145,774	94,072	(99,182)	1,657	-	142,321
Companies						
CAF Company Accounts	45,417	80,398	(85,019)	(1,228)	14	39,582
Serving charities						
CAF Venturesome						
Financial & donation services	8,763	400	(369)	(1,171)	-	7,623
Grantmaking						
Community Match Challenge	2	233	(734)	500	-	1
CAF discretionary funds	6,267	645	(844)	314	-	6,382
	6,269	878	(1,578)	814	-	6,383
	1,431,755	362,173	(362,606)	(3,213)	66,680	1,494,789

Restricted funds comprise:

- a. **CAF Charitable Trusts** – consist of capital gifted to CAF and the related income from financial investments. The capital is held in accordance with CAF’s Investment Policy for CAF Charitable Trusts and investment gains or losses are credited or charged to the funds. These funds are expected to be used to make payments to other charities as suggested by the donor.
- b. **CAF Charity Accounts, CAF Company Accounts and CAF Give As You Earn Charity Accounts** – represent amounts gifted to CAF by individual and corporate donors that are held in accounts until disbursed to charities as suggested by the donor.
- c. **CAF Venturesome** – represent funds set aside by CAF donors to complement the funds assigned by the Trustees for CAF Venturesome.
- d. **CAF America, CAF American Donor Fund and CAF Canada** – represent undistributed donations received by each of these charities.

- The boards of these entities review, validate and approve donors’ suggestions for distributions to charities worldwide.
- e. **CAF discretionary funds** – represent funds available to support the sector at Trustees’ discretion.
- f. **Community Match Challenge** – represent funds received by CAF from DCMS in 2020/21 and transferred from CAF Company accounts in 2021/22 in respect of the Community Match Challenge created in response to the Coronavirus pandemic. Grants from the fund were awarded to small charities.

Transfers between restricted funds

Transfers between restricted funds occur where a donor gives funds into a range of donor advised funds and subsequently requests a transfer between the funds.

27. CASH FLOW STATEMENT

27.1 Reconciliation of net income to net cash flow from operating activities

	Group		Charity	
	2025 £000	2024 £000	2025 £000	2024 £000
Net income before tax	179,061	112,842	129,951	61,339
Adjustments for:				
Depreciation	223	218	214	193
Impairment losses	-	203	-	203
Losses on disposal of tangible fixed assets	-	9	-	9
Gains on financial investments	(16,411)	(73,469)	(17,703)	(67,024)
Losses/(gains) on and other revaluations of other investments	116	(722)	112	(752)
Amortisation and other revaluations of debt securities	(2,598)	(2,457)	(396)	168
Amortisation of capitalised costs of borrowing	70	67	70	67
Non-cash transactions:				
In specie investment transfers and share gifts	(64,688)	(48,935)	(31,253)	(21,114)
Gift of property and other assets	(400)	-	(400)	-
Defined benefit pension plan expense	66	247	66	247
Interest on long-term loans	1,452	1,450	1,452	1,450
Investment income receivable on Trust Funds	(24,499)	(23,782)	(19,642)	(19,345)
Decrease in Cash Ratio Deposit with Bank of England	-	3,582	-	-
Increase in loans and advances to customers	(21,210)	(19,767)	(464)	(156)
Increase in other assets and prepayments	(34,266)	(12,255)	(34,416)	(4,069)
Decrease in amounts due to beneficiary charities	(10,082)	(1,477)	(6,718)	(3,370)
Increase in other liabilities and accruals	1,814	6,179	1,605	2,406
Decrease in donor client balances	(2,347)	(922)	(2,347)	(922)
Increase/(decrease) in CAF Bank depositor balances	31,493	(85,439)	-	-
Cash from operations	37,794	(144,428)	20,131	(50,670)
Corporation tax paid	(3,761)	(5,815)	-	-
Net cash generated from/(used in) operating activities	34,033	(150,243)	20,131	(50,670)

Cash from operations includes interest received of £84.4 million (2024: £73.7 million) in the group and £13.6 million (2024: £6.9 million) in the charity.

The increase/(decrease) in CAF Bank depositor balances is stated after the addition of interest paid of £20.7 million (2023: £18.4 million).

27.2 Analysis of changes in net debt

	At 1 May 2024	Cash flows	Foreign exchange movements	Other non-cash changes	At 30 April 2025
	£000	£000	£000	£000	£000
Group					
Total cash and cash equivalents	1,009,307	(68,316)	(15,654)	-	925,337
Loans falling due within one year	(440)	1,450	-	(8,619)	(7,609)
Loans falling due after more than one year	(36,729)	-	-	7,097	(29,632)
Cash and cash equivalents less debt	972,138	(66,866)	(15,654)	(1,522)	888,096

	At 1 May 2024	Cash flows	Foreign exchange movements	Other non-cash changes	At 30 April 2025
	£000	£000	£000	£000	£000
Charity					
Total cash and cash equivalents	181,482	(37,313)	(3,698)	-	140,471
Loans falling due within one year	(440)	1,450	-	(8,619)	(7,609)
Loans falling due after more than one year	(36,729)	-	-	7,097	(29,632)
Cash and cash equivalents less debt	144,313	(35,863)	(3,698)	(1,522)	103,230

28. OPERATING LEASE COMMITMENTS

At the balance sheet date, the group and CAF had total commitments under non-cancellable operating leases as set out below:

	Land & buildings		Other		Total	
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Group						
Operating lease payments falling due:						
Within one year	443	645	209	244	652	889
Between one and five years	1,781	2,219	157	428	1,938	2,647
After more than five years	1,152	1,536	-	-	1,152	1,536
	3,376	4,400	366	672	3,742	5,072

The amounts charged to the SOFA totalled £0.6m (2024: £0.7m) in respect of land and buildings and £0.4m (2024: £0.4m) in respect of other assets.

28. OPERATING LEASE COMMITMENTS (CONTINUED)

	Land & buildings		Other		Total	
	2025	2024	2025	2024	2025	2024
Charity	£000	£000	£000	£000	£000	£000
Operating lease payments falling due:						
Within one year	213	407	209	244	422	651
Between one and five years	1,384	1,552	157	428	1,541	1,980
After more than five years	1,152	1,536	-	-	1,152	1,536
	2,749	3,495	366	672	3,115	4,167

The amounts charged to the SOFA totalled £0.2m (2024: £0.4m) in respect of land and buildings and £0.4m (2024: £0.4m) in respect of other assets

29. FINANCIAL COMMITMENTS AND CONTINGENT LIABILITIES

At the balance sheet date, the group was committed to the following:

	2025	2024
	£000	£000
CAF Venturesome loans	913	1,507
CAF Venturesome grants	57	92
Charity	970	1,599
CAF Bank:		
Commitments to customers	75,445	68,369
Group	76,415	69,968

CAF Venturesome loans and grants to charities

At the balance sheet date, CAF Venturesome was committed to provide concessionary loans and grants to charities, subject to certain conditions being met. No liability has been recorded in the balance sheet for these loans or grants. The commitments become due or expire within one year (if the charity no longer needs the funding).

CAF Bank commitments to customers

At the balance sheet date, CAF Bank had commitments comprising amounts yet to be drawn under loan or overdraft agreements.

CAF contingent liabilities

A disagreement between CAF and another organisation in respect of a long-standing contract remains unresolved. While there have been some developments in the period, there is uncertainty as to the outcome and while an amount cannot be reasonably estimated, there may be a possible outflow of unrestricted funds at a time that cannot currently be determined. The degree of uncertainty at this time means that it is not practicable to estimate its financial effect.

30. CONTINGENT ASSETS

At the balance sheet date, the charity had been notified of a number of legacies for which probate had not yet been granted or other factors indicated that these legacies should not be recognised as income. The aggregate value of those legacies was £33.7m for the group and the Charity (2024: £28.8m for the group and the Charity).

31. PENSION OBLIGATIONS

a. Hargreaves Lansdown

The Hargreaves Lansdown scheme is a defined contribution self-invested group pension.

Upon auto-enrolment, the initial employee contribution rate is currently 2.67% of basic salary and CAF contributes 5.33%. After three months service, employees can contribute up to 10% of basic salary, with CAF contributing a maximum of 11.33%.

b. The Charities Aid Foundation Pension Scheme

The Charities Aid Foundation Pension Scheme is a defined benefit scheme established on 15 September 2015 and is closed to new employees and further benefit accrual. The Charities Aid Foundation Pension Scheme was established solely to receive a transfer from the Growth Plan, a multi-employer section of The Pensions Trust in which CAF was a participating employer.

The most recent triennial valuation was performed by the scheme actuary as at 1 May 2022. The assets at the effective date were sufficient to cover around 103% of the scheme’s technical provisions.

Given that the funding position remained favourable, in January 2023, the Trustees of CAF agreed with the scheme trustee that a buy-in with an insurer may be considered. After receiving a quote that was considered affordable, and following receipt of the necessary advice, the trustee entered into a buy-in policy with Just Retirement Limited on 27 June 2024. To facilitate this transaction, CAF injected £774k into the scheme. This policy covered all remaining uninsured liabilities of the Scheme. The scheme trustee is now working with Just Retirement Limited to conclude a buy-out, with each member to be issued with their own individual policy. This process is anticipated to complete before the end of the calendar year.

Consequently, it is unlikely that the net defined benefit asset, as determined by the actuary as at 30 April 2025 in accordance with FRS 102, will be realised by CAF and the net defined benefit asset has not been recognised in the balance sheet.

For the purposes of these financial statements and reporting in accordance with FRS 102, the scheme actuary has carried out calculations by projecting forwards the results of the triennial valuation of the scheme as at 1 May 2022, and then making appropriate adjustments for material known experience and for differences in assumptions.

The results of the actuary’s estimate of the scheme’s assets and liabilities at 30 April 2025, based on assumptions used for FRS 102 are as follows:

i) Amounts recognised in the balance sheet:

	2025	2024
	£000	£000
Fair value of assets	11,265	12,851
Defined benefit obligation	(11,074)	(11,880)
Surplus	191	971
Effect of asset limit	(191)	(971)
Net asset	-	-

31. PENSION OBLIGATIONS (CONTINUED)

ii) Amounts included in the SOFA under FRS 102:

	2025	2024
	£000	£000
Scheme expenses	66	247
Interest income on assets	(659)	(640)
Interest cost on defined benefit obligation	591	583
Interest on effect of asset limit	68	57
Total expense recognised in the SOFA	66	247

iii) Movement in the net defined benefit asset/liability:

	2025	2024
	£000	£000
Net defined benefit asset as at 1 May	-	-
Pension cost in SOFA	(66)	(247)
Employer contributions	774	-
Actuarial losses	(1,556)	(162)
Remeasurement of asset limit	848	409
Net defined benefit asset at 30 April	-	-

iv) Movement in present value of the defined benefit obligation:

	2025	2024
	£000	£000
Defined benefit obligation at 1 May	11,880	12,401
Interest on obligation	591	583
Actuarial (gains)/losses	(831)	(580)
Benefits paid	(566)	(524)
Defined benefit obligation at 30 April	11,074	11,880

v) Movement in fair value of scheme assets:

	2025	2024
	£000	£000
Fair value of the scheme assets at 1 May	12,851	13,724
Interest on scheme assets	659	640
Employer's contributions	774	-
Actuarial experience losses	(2,387)	(742)
Scheme expenses	(66)	(247)
Benefits paid	(566)	(524)
Fair value of scheme assets at 30 April	11,265	12,851
Actual return on Scheme assets	(1,728)	(102)

vi) Change in asset limit

	2025	2024
	£000	£000
Opening effect of the asset limit	971	1,323
Interest on effect of the asset limit	68	57
Remeasurement of the asset limit	(848)	(409)
Asset not recognised at 30 April	191	971

vii) Major categories of the scheme assets as a percentage of total assets are as follows:

	2025	2024
	Allocation	Allocation
Annuity policies	98%	13%
Corporate bonds	-	37%
Government bonds	-	49%
Cash	2%	1%
	100%	100%

The Scheme does not invest directly in property occupied by the employer or in financial securities issued by the employer.

31. PENSION OBLIGATIONS (CONTINUED)

viii) Principal assumptions at the balance sheet date

	2025	2024
Discount rate	5.6% pa	5.1% pa
Inflation measured by Retail Price Index (RPI)	3.0% pa	3.3% pa
Inflation measured by Consumer Price Index (CPI)	2.6% pa	2.9% pa
Pension increases in payment:		
CPI capped at 5% pa	2.6% pa	2.8% pa
CPI capped at 2.5% pa	1.8% pa	1.9% pa
Cash commutation	Members are assumed not to exchange any pension sum for a cash at retirement	50% of members assumed to exchange 25% of their pension sum for a cash sum
Base mortality table and projection basis	90% of S3PXA tables projected using CMI 2023 core projection model and a long-term improvement rate of 1.5% p.a. for males and 1.0% p.a. for females	90% of S3PXA tables projected using CMI 2023 core projection model and a long-term improvement rate of 1.5% p.a. for males and 1.0% p.a. for females
Retirement age	Members assumed to take all benefits at their Normal Retirement Age under Scheme Rules	Members assumed to take all benefits at their Normal Retirement Age under Scheme Rules
Proportion married	100% of members who have chosen spouses' benefits are married at retirement or earlier death	100% of members who have chosen spouses' benefits are married at retirement or earlier death
Discretionary increases	None	None
Life expectancy of a male currently aged 65	87.4 yrs	87.3 yrs
Life expectancy of a male currently aged 45	89.0 yrs	88.9 yrs
Life expectancy of a female currently aged 65	89.5 yrs	89.5 yrs
Life expectancy of a female currently aged 45	90.6 yrs	90.6 yrs

ix) Sensitivity analysis

	Change to defined benefit obligation as at 30 April 2025
	£000
Decrease discount rate by 0.1%	105
Increase assumed rate of future RPI and CPI inflation by 0.25%	91
Increase assumed life expectancies by one year	287
Initial addition (A factor) in mortality projections of 0.5%	135
Decrease assumed proportion married by 10%	(16)

32. TRANSACTIONS WITH RELATED PARTIES

Other than the matters detailed below, none of the Trustees nor any connected persons had a material or beneficial interest in any contract or undertaking with CAF, other than in the ordinary course of business, nor in the shares of its subsidiary companies.

	Transactions in SOFA		Due to/(by) CAF at balance sheet date	
	2025	2024	2025	2024
	£000	£000	£000	£000
Unrestricted funds				
Donations receivable in CAF				
From CAF American Donor Fund	2,713	2,500	-	-
From CAF Financial Solutions Limited	73	-	73	-
Fee income receivable in CAF				
From CAF America	7	-	7	-
From CAF American Donor Fund	1,109	1,048	97	93
From CAF Bank Limited	6,673	5,244	1,853	441
From CAF Financial Solutions Limited	398	509	400	510
Interest receivable in CAF				
From CAF Bank Limited	460	966	-	-
Direct costs recharged by CAF				
To CAF America	148	-	-	-
To CAF American Donor Fund	544	481	55	37
To CAF Bank Limited	13,949	9,814	1,328	913
To CAF Financial Solutions Limited	147	190	11	11
Costs chargeable to CAF				
From CAF America	(39)	(130)	(22)	(130)
Sub-ordinated debt held by CAF				
Owed by CAF Bank Limited	-	-	5,000	5,000
	26,182	20,622	8,802	6,875

	Transactions in SOFA		Due to/(by) CAF at balance sheet date	
	2025	2024	2025	2024
	£000	£000	£000	£000
Restricted funds				
Donations receivable in CAF				
From CAF America	7,566	7,892	-	-
From CAF American Donor Fund	456	8,651	-	-
Donations payable by CAF				
To CAF America	(280)	-	-	-
To CAF American Donor Fund	(6)	(19)	-	-
	7,736	16,524	-	-

33. EX-GRATIA PAYMENTS AND WAIVERS

During the year, CAF had two (2024: two) ex-gratia waivers authorised by the Charity Commission for England & Wales. Both were in respect of a waived entitlement to income from a legacy due to CAF and totalled £20,000 (2024: £14,089).

34. POST BALANCE SHEET EVENTS

There have been no events since the balance sheet date that are required to be adjusted for, or to be disclosed other than those disclosed in notes.

35. CAF BANK FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

CAF Bank is a wholly owned subsidiary of CAF and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

The group’s risk management framework and principal risks, including those applicable to CAF Bank, are set out in the Risk Management Report within the Trustees’ Report. CAF Bank’s exposure to its principal risks, which are those associated with holding financial instruments, is further described below.

35.1 Credit risk

The following tables set out CAF Bank’s principal financial instruments from which credit risk arises.

	2025		2024	
	Book Value £000	Market Value £000	Book Value £000	Market Value £000
Treasury assets by class:				
Listed:				
Multilateral financial institutions	563,083	555,768	511,053	489,173
Fixed coupon corporate bonds	59,570	59,347	49,368	47,900
Floating rate corporate bonds	60,130	60,133	76,955	76,853
Debt securities	682,783	675,248	637,376	613,926
Balances at Bank of England	610,671	610,671	630,526	630,526
Loans and advances to banks	4,214	4,214	23,998	23,998
	1,297,668	1,290,133	1,291,900	1,268,450

	2025		2024	
	Book Value £000	% of Book	Book Value £000	% of Book
Treasury assets by credit rating:				
Category (Fitch equivalent credit rating)				
UK Government	610,671	47.06%	630,526	48.81%
AAA	662,766	51.08%	617,350	47.78%
AA	20,017	1.54%	20,025	1.55%
AA-	2,077	0.16%	21,725	1.68%
A+	2,137	0.16%	2,274	0.18%
	1,297,668	100.00%	1,291,900	100.00%

	2025	2024
Treasury assets by exposure value:		
UK Government & multilateral financial institutions	91%	90%
Financial & non-financial institutions up to £11m	5%	6%
Financial & non-financial institutions £11m - £21m	4%	4%
	100%	100%

Lending

Other than the matters detailed below, none of the Trustees nor any connected persons had a material or beneficial interest in any contract or undertaking with CAF, other than in the ordinary course of business, nor in the shares of its subsidiary companies.

Loans, overdrafts and BACS facilities are subject to regular monitoring of loan performance and individual annual review. Administration of the loan book is outsourced to BCM Mortgage Services Ltd, which provides regular management information on a loan by loan and aggregated basis. A provision of £1.2m has been made at 30 April 2025 reflecting losses that may have been incurred but not yet identified (2024: £1.8m) and £1.0m has been provided for specific loan provisions (2024: £0.6m). No overdrafts were written off during the year (2024: none).

One loan was in arrears at 30 April 2025 (2024: one).

Secured and unsecured lending

	2025	2024
	£000	£000
Gross loans and advances to customers	223,363	201,979
Undrawn overdraft and loan commitments	59,886	52,831
	283,249	254,810
Amounts included within the above:		
Secured on property	283,249	254,810
	283,249	254,810

As at 30 April 2025, the average loan to value ratio across the lending portfolio was 52% (2024: 53%).

35.2 Liquidity and funding risk

CAF Bank holds liquidity buffer eligible assets of £1.23bn (2024: £1.18bn), excluding assets pledged as security under repurchase agreements. Liquidity buffer assets comprise amounts held in the Bank of England Reserve Account and investments in Multilateral Development Banks, UK Gilts and Treasury Bills.

35.3 Market and interest rate risk

The following tables set out details of the maturity and duration of financial instruments held by CAF Bank.

Non-maturity (on-demand) deposits are behaviourally adjusted as follows:

Current accounts	
£0 - £249,999	2 - 3 years
£250,000 - £999,999	1 - 2 years
Over £1m	6 - 12 months

Assets and liabilities analysed by interest rate pricing time periods:

	Next day	Up to 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	Over 5 years	Other items	Total
At 30 April 2025	£000	£000	£000	£000	£000	£000	£000	£000
Assets								
Balances at Bank of England	610,671	-	-	-	-	-	-	610,671
Loans and advances to banks	4,214	-	-	-	-	-	-	4,214
Loans and advances to customers	180,537	-	1,254	4,374	31,390	1,546	-	219,101
Debt securities	-	139,236	10,004	53,346	479,199	-	998	682,783
Prepayments and accrued income	-	-	-	-	-	-	11,455	11,455
Intangible fixed assets	-	-	-	-	-	-	15,908	15,908
	795,422	139,236	11,258	57,720	510,589	1,546	28,361	1,544,132
Liabilities								
Customer accounts	818,153	-	-	87,093	545,656	-	24	1,450,926
Other liabilities	-	-	5,000	-	-	-	11,967	16,967
Shareholders' funds	-	-	-	-	-	-	76,239	76,239
	818,153	-	5,000	87,093	545,656	-	88,230	1,544,132
Interest rate sensitivity gap	(22,731)	139,236	6,258	(29,373)	(35,067)	1,546	(59,869)	-
Impact of 2% change in interest rates	-	297	45	(420)	967	184	-	1,073

	Next day	Up to 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	Over 5 years	Other items	Total
At 30 April 2024	£000	£000	£000	£000	£000	£000	£000	£000
Assets								
Balances at Bank of England	630,526	-	-	-	-	-	-	630,526
Loans and advances to banks	23,997	-	-	-	-	-	-	23,997
Loans and advances to customers	162,926	-	410	80	32,702	1,584	-	197,702
Debt securities	-	148,884	-	76,555	402,525	8,581	831	637,376
Prepayments and accrued income	-	-	-	-	-	-	10,566	10,566
Intangible fixed assets	-	-	-	-	-	-	10,758	10,758
	817,449	148,884	410	76,635	435,227	10,165	22,155	1,510,925
Liabilities								
Customer accounts	731,832	-	-	109,788	577,803	-	10	1,419,433
Repurchase agreements	13,852	-	-	-	-	-	-	13,852
Other liabilities	-	-	5,000	-	-	-	7,542	12,542
Shareholders' funds	-	-	-	-	-	-	65,098	65,098
	745,684	-	5,000	109,788	577,803	-	72,650	1,510,925
Interest rate sensitivity gap	71,765	148,884	(4,590)	(33,153)	(142,576)	10,165	(50,495)	-
Impact of 2% change in interest rates	-	538	(33)	(465)	(706)	976	-	310

Sensitivity Analysis

CAF Bank is exposed to interest rate risk arising from fluctuations in market interest rates, which impacts its net interest income (NII). Interest rate risk is managed within approved risk limits and monitored regularly.

The following table illustrates the estimated impact on CAF Bank's NII for the next 12 months arising from hypothetical parallel shifts in interest rates, assuming all other variables remain constant.

Interest Rate Change	Impact on CAF Bank net interest income (£000)
+ 100 basis points	2,624
- 100 basis points	(2,624)

The sensitivity analysis is based on CAF Bank's interest rate risk profile as at the reporting date. The impact reflects changes in interest rates on interest-earning assets and interest-bearing liabilities, considering the repricing timing and volume. It does not take into account management actions or changes in market conditions subsequent to the reporting date.

35.4 Capital management

CAF Bank aims at all times to maintain an adequate level of capital to support the development of its business and to meet regulatory capital requirements.

Business and capital plans are drawn up annually, covering a three year period and approved by CAF Bank's Board. The plans ensure that adequate levels of capital are maintained by CAF Bank to support its strategy. This is integrated with CAF Bank's annual planning process.

The capital plan takes the following into account:

- current and anticipated future regulatory capital requirements;
- increases in demand for capital due to business development, including planned lending growth;
- potential demand for capital from market shocks or stresses;
- available supply of capital and capital raising options;
- achieving a minimum required leverage ratio; and
- internal controls and governance for managing CAF Bank's risk, operations and capital.

CAF Bank undertakes a detailed capital adequacy assessment to support its capital requirements. Each material risk is assessed, relevant mitigants considered, and appropriate levels of capital determined. The capital adequacy assessment is a key part of CAF Bank's risk and planning framework and a minimum capital requirement is assessed and agreed with the PRA. CAF Bank's internal capital adequacy assessment is regularly updated.

CAF Bank's capital resources comprise:

	2025	2024
	£000	£000
Ordinary share capital	40,319	40,319
Profit and loss account	35,920	24,779
	76,239	65,098

Board of Trustees

SIR JAMES LEIGH-PEMBERTON, CVO
Chair

RT HON SIR ERNEST RYDER
TD, PC, DL
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DR PRIYA SINGH
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SIR EDWARD BRAHAM
(Appointed February 2025)
Chair-Elect

JANET POPE
(Resigned September 2024)

CYRUS ARDALAN
(Retired November 2024)

ROBERT DENCH
(Resigned February 2025)

Executive Committee at the date of signing

NEIL HESLOP, OBE
Group Chief Executive Officer

LIZ RYLATT FCA
Group Chief Financial Officer

MARK GREER
Managing Director,
Charities Aid Foundation in the United Kingdom

JESSIE KRAFFT
President and CEO,
Charities Aid Foundation in North America

BARNABY DAVIS
Interim Chief Information Officer

NORA SAKAAN
Chief Marketing Officer

DAVID JESSOP
Chief People Officer

KATE NEWMAN
General Counsel and Executive
Director Governance

ALISON TAYLOR
CEO, CAF Bank Limited and
CAF Financial Solutions Limited

Independent auditors

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