



Sirius Minerals Foundation Limited

Report of the Trustees and
Audited Financial Statements
for the year ended

31 May 2018

Registered Company Number: 08087609 (England and Wales)
Registered Charity Number: 1163127

Ashby Berry Coulsons

Chartered Accountants
Two Belgrave Crescent
Scarborough

Sirius Minerals Foundation Limited

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for the Year Ended 31 May 2018**

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Sirius Minerals Foundation Limited

**Reference and Administrative Details
for the Year Ended 31 May 2018**

Trustees

D Archer	
G Edmunds	
R Hunt	
C Zagrovic	resigned 6 August 2018
N Irving	
L Swain	
P J E Woods	
I C Swales	appointed 11 September 2018

Registered office

3rd Floor
Greener House
68 Haymarket
London
SW1Y 4RF

Registered company number 08087609 (England and Wales)

Registered charity number 1163127

Auditors

Ashby Berry Coulsons Limited
Statutory Auditor
2 Belgrave Crescent
Scarborough
North Yorkshire
YO11 1UB

Bankers

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Investment managers

European Wealth
3 Hardman Square
Manchester
M3 3EB

Sirius Minerals Foundation Limited

Chairman's Foreword for the Year Ended 31 May 2018

I am pleased to present the Financial Statements and Accounts for the year ending 31 May 2018 on behalf of the Trustees of the Sirius Minerals Foundation.

The year has seen substantial progress and a continuing momentum in the work of the Foundation in terms of grant giving and the development of our 10 Year Plan which will guide our grant making during the ongoing mine construction period and the longer-term. We were particularly pleased to publicly launch and deliver our first small grants programme totalling £286,000 which benefitted a broad range of 75 local projects. Building on this success we started planning for our second-round grants programme alongside our 10 Year Plan setting out our strategy for future funding rounds. This will include a mix of small, medium and large-scale projects aimed at delivering the Foundation's Charitable objectives and improving the quality of life of our local communities.

We are very much at the start of a journey and future years will see a substantial increase in the work of the Foundation as our momentum builds and as we develop stronger links with local people and communities.

David Archer
Chairman

Sirius Minerals Foundation Limited

Report of the Trustees for the Year Ended 31 May 2018

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 May 2018. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

This report includes the directors' report required by company law.

Objectives and activities

The Foundation's objects are for the public benefit particularly in the area of benefit to:

- 1) advance education including by supporting projects and training that benefit people from the area of benefit by enhancing their skills;
- 2) promote the general health of the community;
- 3) advance environmental protection and improvement including by enhancing the local landscape;
- 4) provide and improve facilities in the interests of social welfare and leisure time occupation with the objective of improving the conditions of life for the residents; and
- 5) relieve those in need because of financial hardship by virtue of being out of work, particularly the long term unemployed, by helping them to gain skills.

The area of benefit is the area south of the river Tees and within the boundaries of Redcar and Cleveland Borough Council, Scarborough Borough Council and the North York Moors National Park.

The trustees are obliged to:

- exercise a preference for applying the charity's funds close to Sirius Minerals PLC's area of operations in the area of benefit; and
- only apply funds outside the area of benefit if the trustees pass a unanimous resolution in support of such an application of funds, and not to apply more than 25% of its annual budget in any one year outside the area of benefit.

At present, the trustees are fulfilling these objects by making grants to local organisations.

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

In June 2017 the Foundation drew down a donation of £1,990,000 from Sirius Minerals PLC, linked to the start of the construction of the Woodsmith mine. Future income will come from royalty payments paid by Sirius Minerals PLC in arrears on a six-monthly basis once production has started, with the first such payment currently anticipated in 2024.

The trustees have developed a ten year plan to guide grant making during the mine construction period and beyond. This will be reviewed annually by the Board and amended as required. The ten year plan envisages the Foundation making grants totalling around £250,000 per year until 2025, whilst at the same time researching, developing and preparing for a more substantial grants programme for future years to support a small number of large, strategic and impactful projects or programmes, alongside an ongoing programme of small and medium grants.

Sirius Minerals Foundation Limited

Report of the Trustees for the Year Ended 31 May 2018

The trustees are happy to receive ideas on how and where the Foundation's grants and programmes could be best utilised to inform future decision making. However, at the present time, the trustees are only considering grant requests as part of future grants programmes published on the Foundation's website.

Achievement and performance

During the year the Foundation delivered its first grants programme which offered grants of between £500 and £5,000 focusing on organisations in the Whitby and Redcar areas, as they are close to the surface areas of the construction area of the mine, supporting projects across all of the charity's objects. The programme was launched at meetings in Whitby and Redcar, accompanied by significant press coverage. Applicants were required to complete and submit a short form within a specific timeframe.

Initially the trustees had allocated a budget of £100,000 for the first grants programme. However, as 234 applications were received totalling around ten times the budget, the trustees agreed to increase the budget to around £300,000. 82 applications were shortlisted by the trustees and either contacted or visited by trustees, or volunteers appointed by the trustees. 75 grants were announced in December 2017, totalling £285,918. Organisations receiving grants are required to complete a monitoring form, so that the Foundation can be reassured that the funding is used appropriately and to enable the Foundation to evaluate the impact of the grant making.

Details of the 75 grants can be found on the charity's website at www.siriusmineralsfoundation.co.uk/case-studies.

Alongside the first grants programme the trustees also invited expressions of interest from groups with ambitions to develop sustainable trading social enterprises linked to the construction or future operation of the Woodsmith Mine. A small number of expressions of interest were received but unfortunately, after careful consideration, none were believed to be viable.

Financial review

The Foundation's work is entirely reliant on income from Sirius Minerals PLC and income and capital returns from its investment portfolio. The first major payment to the Foundation was received from Sirius Minerals PLC during the year, bringing the total contribution to £2 million. The monies required for the first grant process were retained in a bank account whilst the remainder was invested in order to generate additional capital for further grants.

The Trustees felt that the low level of interest being paid to holders of funds in bank current accounts would mean that inflation would cause a reduction in the 'real' value of those funds. In order to avoid this reduction it was decided to investigate opportunities for gaining a higher return. The Articles of Association of the Foundation require a minimum of 5% of the funds received during the production phase of the mine to be invested in long-term, low to medium risk investments, in order to ensure the longevity of the Foundation itself. That requirement does not apply to the initial sum received during the construction period but the Trustees considered that it was both proper and prudent to apply the same level of risk if investment of this sum were to be undertaken.

Three providers of investment services were approached with two of them satisfying the criteria of being independent of the funds that they managed. These two were interviewed and the trustees made the decision to transfer investment funds to European Wealth for investment purposes. The transfer took place in July 2017 and some of the funds were transferred back to the Foundation in order to pay the enlarged first funding round of grants. After a period of 6 months it was reported that the funds had grown by 0.7% and that a projected income over the following 12 months of .87% was anticipated regardless of other growth in the value of the fund.

The Foundation held reserves of £1,700,726 at 31 May 2018, of which £1,646,963 were within the investment portfolio. All funds were unrestricted. These funds are held in line with the ten year plan outlined in the Objectives and Achievements section of this report.

Sirius Minerals Foundation Limited

Report of the Trustees for the Year Ended 31 May 2018

Future activities

As noted above, the ten year plan developed by the trustees envisages the Foundation making grants totalling around £250,000 per year until 2025, whilst at the same time researching, developing and preparing for a more substantial grants programme for future years to support a small number of large, strategic and impactful projects or programmes, alongside an ongoing programme of small and medium grants.

The Foundation launched a grants programme in summer 2018 offering grants of between £10,000 and £50,000 for projects focused on increasing or developing skills in the area of benefit.

Structure, governance and management

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

Under the Articles of Association, the membership of the charitable company comprises Sirius Minerals Ltd and two Independent Members.

As set out in the Articles, the charity is managed by seven trustees, who are also directors of the company. Four of these trustees are appointed by the Independent Members and three by Sirius Minerals Ltd. On appointment trustees are provided with information on the Foundation and on their role as charity trustees and company directors.

Decisions are taken by the trustees at their regular meetings or through electronic communication.

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

Statement of trustees' responsibilities

The trustees (who are also the directors of Sirius Minerals Foundation Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Sirius Minerals Foundation Limited

**Report of the Trustees
for the Year Ended 31 May 2018**

Statement of compliance with prevailing laws and regulations

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 21 February 2019 and signed on its behalf by:

.....
R Hunt - Trustee

Report of the Independent Auditors to the Members of Sirius Minerals Foundation Limited

Opinion

We have audited the financial statements of Sirius Minerals Foundation Limited (the 'charitable company') for the year ended 31 May 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Sirius Minerals Foundation Limited

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

Other matters which we are required to address

The corresponding figures are unaudited.

Use of our report

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

Timothy Jones FCA (Senior Statutory Auditor)
for and on behalf of Ashby Berry Coulsons Limited
Statutory Auditor
2 Belgrave Crescent
Scarborough
North Yorkshire YO11 1UB

Date: 22 February 2019

Sirius Minerals Foundation Limited

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 May 2018**

	Notes	2018 Unrestricted fund £	2017 Total funds £
Income and endowments from			
Donations and legacies	2	1,990,000	500
Investment income	3	<u>26,363</u>	<u>-</u>
Total		2,016,363	500
Expenditure on			
Raising funds	4	19,796	-
Charitable activities	5		
General activities		3,029	2,551
Grant making		<u>288,028</u>	<u>-</u>
Total		310,853	2,551
Net gains/(losses) on investments		<u>(11,356)</u>	<u>-</u>
Net income/(expenditure)		1,694,154	(2,051)
Reconciliation of funds			
Total funds brought forward		6,572	8,623
Total funds carried forward		<u>1,700,726</u>	<u>6,572</u>

The notes form part of these financial statements

Sirius Minerals Foundation Limited (Registered number: 08087609)

**Balance Sheet
At 31 May 2018**

	Notes	2018 Unrestricted fund £	2017 Total funds £
Fixed assets			
Investments	10	1,646,963	-
Current assets			
Cash at bank		57,683	7,022
Creditors			
Amounts falling due within one year	11	(3,920)	(450)
		<hr/>	<hr/>
Net current assets		<u>53,763</u>	<u>6,572</u>
Total assets less current liabilities		<u>1,700,726</u>	<u>6,572</u>
		<hr/>	<hr/>
Net assets		<u><u>1,700,726</u></u>	<u><u>6,572</u></u>
Funds			
Unrestricted funds		<u>1,700,726</u>	<u>6,572</u>
Total funds		<u><u>1,700,726</u></u>	<u><u>6,572</u></u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 21 February 2019 and were signed on its behalf by:

.....
R Hunt -Trustee

The notes form part of these financial statements

Sirius Minerals Foundation Limited

**Cash Flow Statement
for the Year Ended 31 May 2018**

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>1,702,275</u>	<u>(1,991)</u>
Net cash provided by (used in) operating activities		<u>1,702,275</u>	<u>(1,991)</u>
Cash flows from investing activities:			
Transfers to investment portfolio		<u>(1,800,000)</u>	-
Transfers from investment portfolio		<u>148,386</u>	-
Net cash provided by (used in) investing activities		<u>(1,651,614)</u>	-
Change in cash and cash equivalents in the reporting period		50,661	(1,991)
Cash and cash equivalents at the beginning of the reporting period		<u>7,022</u>	<u>9,013</u>
Cash and cash equivalents at the end of the reporting period		<u><u>57,683</u></u>	<u><u>7,022</u></u>

The notes form part of these financial statements

Sirius Minerals Foundation Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 May 2018**

1. Reconciliation of net income/(expenditure) to net cash flow from operating activities	2018	2017
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	1,694,154	(2,051)
Adjustments for:		
Losses on investments	11,356	-
Interest received	(216)	-
Dividends received	(26,147)	-
Portfolio management fees	19,658	-
Increase in creditors	3,470	60
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	<u>1,702,275</u>	<u>(1,991)</u>

Sirius Minerals Foundation Limited

Notes to the Financial Statements for the Year Ended 31 May 2018

1. Accounting policies

General information

Sirius Minerals Foundation Limited is a charitable company registered in England/Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to make grants towards projects and individuals/organisations which meet the criteria set out in the charity's objects.

Basis of preparing the financial statements

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

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

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

Judgements and key sources of estimation uncertainty

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

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

Funds

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

Sirius Minerals Foundation Limited

Notes to the Financial Statements - continued for the Year Ended 31 May 2018

1. Accounting policies - continued

Income

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

Donated services and facilities

No amount is included in the financial statements for volunteer time, including time spent by trustees in assessing and monitoring grants, in line with the SORP (FRS 102). Administrative support, for which no charge is made, is provided by Sirius Minerals Ltd. Further detail is given in the Trustees' Annual Report.

Investment income receivable

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

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

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

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

Irrecoverable VAT

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Sirius Minerals Foundation Limited

Notes to the Financial Statements - continued for the Year Ended 31 May 2018

1. Accounting policies - continued

Debtors and creditors receivable/payable within one year

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

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Taxation

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

Going concern

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

2. Donations and legacies

	2018 £	2017 £
Donations	-	500
Donations from Sirius Minerals plc	<u>1,990,000</u>	<u>-</u>
	<u>1,990,000</u>	<u>500</u>

3. Investment income

	2018 £	2017 £
Dividends	26,147	-
Interest on investments	<u>216</u>	<u>-</u>
	<u>26,363</u>	<u>-</u>

4. Raising funds

Investment management costs

	2018 £	2017 £
Portfolio management	<u>19,796</u>	<u>-</u>

Sirius Minerals Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2018**

5. Charitable activities costs

	Grant funding of activities (See note 6) £	Support costs (See note 7) £	Totals £
General activities	-	3,029	3,029
Grant making	<u>285,918</u>	<u>2,110</u>	<u>288,028</u>
	<u>285,918</u>	<u>5,139</u>	<u>291,057</u>
Comparatives for charitable activities costs			
General activities	-	2,551	2,551
Grant making	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>2,551</u>	<u>2,551</u>

6. Grants payable

	2018 £	2017 £
Grant making	<u>285,918</u>	<u>-</u>

Grants paid during the year were made under the Foundation's initial small grants programme, which offered grants of up to £5,000, focusing on organisations in the Whitby and Redcar areas. A total of 75 grants were made, as summarised below.

Amount of grant	Number of recipients	Aggregate amount £
£5,000	35	175,000
£4,000 - £4,999	12	53,933
£3,000 - £3,999	4	13,000
£2,000 - £2,999	15	34,817
£1,000 - £1,999	6	7,568
£500 - £999	<u>3</u>	<u>1,600</u>
Total	<u>75</u>	<u>285,918</u>

Further details of the grants made during the year can be found on the charity's website at <https://www.siriusmineralsfoundation.co.uk/>.

Conditions for all grants awarded in the year have been met.

Sirius Minerals Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2018**

7. Support costs

	Management	Governance costs	Totals
	£	£	£
General activities	120	2,909	3,029
Grant making	<u>2,110</u>	-	<u>2,110</u>
	<u>2,230</u>	<u>2,909</u>	<u>5,139</u>
Comparatives for support costs			
General activities	65	2,486	2,551
Grant making	<u>-</u>	<u>-</u>	<u>-</u>
	<u>65</u>	<u>2,486</u>	<u>2,551</u>

Support costs, included in the above, are as follows:

Management

	2018	2017
	£	£
Bank charges	120	65
Grant publicity, assessment & monitoring	<u>2,110</u>	<u>-</u>

Governance costs

	2018	2017
	General activities	General activities
	£	£
Auditors' remuneration	1,920	-
Independent examination	-	655
Travel and subsistence	595	1,185
Insurance	381	385
Advertising and marketing	-	240
Sundry governance expenses	<u>13</u>	<u>21</u>
	<u>2,909</u>	<u>2,486</u>

Auditor's remuneration

	2018	2017
	£	£
Audit and accounts preparation	1,920	-
Independent examination and accounts preparation current year	-	450
Independent examination and accounts preparation previous year	<u>-</u>	<u>205</u>
	<u>1,200</u>	<u>655</u>

Sirius Minerals Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2018**

8. Net income/(expenditure)

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

	2018	2017
	£	£
Audit	1,920	-
Independent examination	<u>-</u>	<u>655</u>

9. Trustees' remuneration and benefits

No trustee received any remuneration, or other benefits during the year. (2017 - Nil)

Trustees' expenses

Travel and subsistence costs totalling £565 were reimbursed to four Trustees and one Independent Member in their capacities as those charged with governance. (2017: £1,184 to three Trustees and one Independent Member).

10. Fixed asset investments

	Listed investments £	Cash and settlements pending £	Totals £
Market value			
Additions	1,790,347	2,045,439	3,835,786
Disposals	(245,432)	(1,935,284)	(2,180,716)
Revaluations	<u>(8,107)</u>	<u>-</u>	<u>(8,107)</u>
At 31 May 2018	<u>1,536,808</u>	<u>110,155</u>	<u>1,646,963</u>
 Historic cost			
At 31 May 2018	<u>1,544,915</u>	<u>110,155</u>	<u>1,655,070</u>
At 31 May 2017	<u>-</u>	<u>-</u>	<u>-</u>

11. Creditors: amounts falling due within one year

	2018	2017
	£	£
Grant creditors	2,000	-
Accrued expenses	<u>1,920</u>	<u>450</u>
	<u>3,920</u>	<u>450</u>

Sirius Minerals Foundation Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2018**

12. Related party disclosures

In accordance with its contractual obligations, Sirius Minerals PLC donated £1,990,000 during the year, to meet its commitment of providing a total of £2m to the Foundation during the construction phase of Woodsmith Mine.