

EIRIS FOUNDATION

England & Wales · Charity number 1020068

Details

Other names EIRIS, ETHICAL INVESTMENT RESEARCH SERVICE (EIRIS)

Status Registered

Legal form Charitable company

Company number [02460330](#)

Registered 1993-04-30

Register [View on the Charity Commission register](#)

Contact

Address The Foundry
17 Oval Way
London
SE11 5RR

Phone 02037525754

Email peter.webster@eirisfoundation.org

Website www.eirisfoundation.org

Activities

Objects: A) TO PROMOTE RESEARCH INTO THE SOCIAL AND ETHICAL ASPECTS OF COMMERCIAL AND INDUSTRIAL ACTIVITIES OF BUSINESSES IN THE UNITED KINGDOM AND OVERSEAS AND THE BEARING OF THESE ASPECTS ON INVESTMENT POLICIES AND TO PUBLISH THE USEFUL RESULTS OF THAT RESEARCH B) TO PROMOTE AND IMPROVE IN DIRECT PURSUIT OF THEIR OBJECTS THE EFFICIENCY AND EFFECTIVENESS OF A) CHARITABLE ORGANISATIONS ESTABLISHED ANYWHERE IN THE WORLD AND TAKING EFFECT WITHIN THE UK AND B) CHARITABLE ORGANISATIONS ESTABLISHED WITHIN THE UK AND TAKING EFFECT OUTSIDE THE UK THE OBJECTS OF WHICH ARE CONFINED TO THE RELIEF OF POVERTY OR SICKNESS OR THE ADVANCEMENT OF EDUCATION AND RELIGION BY THE PROVISION OF ADVICE AND INFORMATION ON THE ACTIVITIES AND INVESTMENT POLICIES OF COMMERCIAL ORGANISATIONS TO ENABLE THE CHARITIES TO MAKE AN INFORMED CHOICE OF INVESTMENTS WHICH WOULD NOT CONFLICT WITH THE AIMS OF THE CHARITY OR OTHERWISE HAMPER THE CHARITY'S WORK

Activities: Our vision is a financial & corporate system that encourages sustainable & responsible wealth creation & management. Our mission is to use research, analysis and influence to help charities who want to invest responsibly or to influence other responsible investors in support of their missions, and to help other

organisations & individuals contribute to the responsible business & investment agenda.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Other Charitable Purposes
- **Who:** Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£576,153	£815,742	£1,111,321	10
2024-03-31	£701,239	£887,329	£1,314,956	13
2023-03-31	£402,570	£728,208	-	-
2022-03-31	£241,658	£472,516	-	-
2021-03-31	£468,973	£582,029	-	-

Trustees

Name	Role	Appointed
Julia Nina Roth	Chair	2021-07-05
Aaron Matthew Walsh Hay		2021-07-01
Aine Clarke		2024-03-01
Camilla Parke		2017-09-29
Ivana Gazibara		2024-03-01
Maryann Selfe		2024-10-01
Richard Stuart Howitt		2021-07-01
Vaidehee Sachdev		2024-03-01

EIRIS FOUNDATION

England & Wales - Charity number 1020068

Accounts

EIRIS FOUNDATION
(A Company Limited by Guarantee)

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31st MARCH 2025

Registered Charity Commission Reference Number: 1020068

Registered Company Number: 02460330

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COMPANIES HOUSE

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EIRIS FOUNDATION
(A Company Limited by Guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

REGISTERED COMPANY NUMBER: 02460330

CHARITY REGISTRATION NUMBER: 1020068

COUNCIL OF MANAGEMENT: Nina Roth (Chair)
Áine Clarke
Ivana Gazibara
Aaron Hay
Richard Howitt
Camilla Parke
Vaidehee Sachdev
Maryann Selfe
Frances Way

CHIEF EXECUTIVE OFFICER: Peter Webster

COMPANY SECRETARY: Lisa Stonestreet

REGISTERED AND PRINCIPAL OFFICE: The Foundry
17-19 Oval Way
London
SE11 5RR

AUDITORS: Cocke, Vellacott & Hill
Chartered Accountants
Unit 15 City Business Centre
Lower Road
LONDON SE16 2XB

BANKERS: Unity Trust Bank
9 Brindley Place
4 Oozells Square
BIRMINGHAM B1 2HB

SOLICITORS: Bates, Wells & Braithwaite
10 Queen St Place
LONDON
EC4R 1BE

IMPACT INVESTING ADVISERS: Sonnet Advisory and Impact
45 Flitwick Road
Amphill
Bedfordshire
MK45 2NS

REPORT OF THE COUNCIL OF MANAGEMENT
For the year ended 31 March 2025

The Council of Management presents its annual report together with the consolidated financial statement of the charitable company and its subsidiaries for the year ended 31st March 2025. The accounts comply with the Charities Act 2011, the Companies Act 2006, the requirements of the charity's governing document 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 (FRS 102) (effective 1 January 2019). This report combines the Trustees' annual report for the purposes of the Charities Act 2011 and the directors' report for the purposes of the Companies Act 2006.

The EIRIS Foundation is a company limited by guarantee without share capital. Each member's liability is limited to £1. The company is a registered charity, and its affairs are governed by its memorandum and articles of association.

OBJECTIVES AND ACTIVITIES

Objects and mission

The EIRIS Foundation's objects are to undertake and publish research into the social and ethical aspects of businesses in the UK and overseas and how those may be relevant to investment policies and to assist other charities by providing information and advice to help them choose investments which do not conflict with their aims or otherwise hamper their work.

Following a review of our goals and mission we have concluded that the best way to describe our current work and the role we want to play in future is that the EIRIS Foundation is a research, advice and advocacy charity that pioneers the next steps for sustainable finance. Our vision is a financial system that works for people and planet.

We have over 40 years' experience of providing free and objective information on sustainable finance and corporate activity to other charities and the public.

Our strengths. The EIRIS Foundation is a founder of the ethical and responsible investment movement. From our historic involvement in the creation of the first retail ethical fund in the UK to our founding role with the Corporate Human Right's Benchmark (CHRB), our work illustrates our core strengths:

- **A pioneering spirit.** We consistently bridge the gaps in what is needed, including on difficult, underserved topics.
- **Independence.** As a charity, we can avoid conflicts of interest.
- **Catalysing coalitions.** That independence, plus a wide network of long-standing connections, mean we can bring together broad collaborations when required.
- **Supporting innovations.** We can both deploy innovations ourselves and recognize and support great innovations from others.
- **Quality of methods and outputs.** Our research findings are known for their independence and high standards.

How we generate impact. We look for activities which use our strengths to have one or more of these effects:

- **Moving the money to more sustainable options and to finance sustainable solutions.**
- **Embedding values in the investment chain, from the saver/pension scheme member all the way to the portfolio manager.**
- **Amplifying the sustainable investor voice on company plans; leadership; and business culture.**

We have the skills and experience to find solutions that bridge the gaps in today's finance system. We aim to have impact in several connected domains. Within each we build coalitions, and both generate and support innovations. The impact in each is money moved, values embedded in investment decisions, and more pressure from sustainable voices. The cumulative effect moves us towards a finance system that works for people and planet.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

OBJECTIVES AND ACTIVITIES (continued)

Code of Conduct and other policies

To underpin these objects, the EIRIS Foundation has adopted a Code of Conduct (available on our website) which sets out our values as an organisation and the standards of behaviour we hold ourselves and those we work with accountable to as we deliver our mission. The Code summarises a number of commitments to and expectations of our employees which are developed further in our Staff Handbook. It also underpins relationships with partners, funders, suppliers and other stakeholders.

In addition to the policies and approach set out in the Code of Conduct

- (a) The trustees are mindful of the Charity Commission's guidance on public benefit including the guidance 'public benefit: running a charity (PB2)
- (b) The EIRIS Foundation is not qualified or authorised to give financial advice. From time to time, we will comment on or research the more general aspects of the relationship between financial performance, business success and responsible investment or corporate responsibility but we always emphasise that this should not be taken as financial advice.
- (c) We will take appropriate financial advice on the investment of our reserves.

Grant making policy

The Council of Management has reviewed our grant making policy in the light of our new strategy to cover any cases where we decide to fund third parties to carry out our work or to share funding for research. All such uses of funds will be in accordance with the objectives of the charitable company.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The EIRIS Foundation is a company limited by guarantee without share capital. Each member's liability is limited to £1. The company is a registered charity, and its affairs are governed by its memorandum and articles of association.

The governing body of the EIRIS Foundation is the Council of Management, which now generally meets four times a year. It receives reports from the CEO.

The Council of Management and the chief executive are the key management personnel of the charity in charge of directing and controlling the charity and the running and operation of the charity on a day to day basis.

The Council Members who fulfil the roles of trustees of the charity and directors of the company were as followed during the reporting period:

Nina Roth (Chair)
David Bent-Hazelwood (retired 31 December 2024)
Áine Clarke
Ivana Gazibara
Aaron Hay
Richard Howitt
Rebecca Kong (retired 31st December 2024)
Camilla Parke
Vaidehee Sachdev
Maryann Selfe (re-appointed 30 October 2024)
Frances Way

David Bent-Hazelwood has retired from the Council following the October meeting having previously stepped down from the role of Chair after leading the Council for a number of years. David has brought his wide range of skills and experience of strategy development and sustainable business to our work, first as a Council Member and then as Chair. He played a vital role as our representative on the Vigeo Eiris board in the period between the merger of our former subsidiary with Vigeo and the sale of Vigeo Eiris to Moody's as the first step on the way to the creation of Moody's ESG. We are grateful to David for his insights and wisdom and wish him all the best in his future endeavours.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Rebecca Kong has also retired from the Council at the end of 2024. We have been grateful for her insightful questions and knowledge and experience of impact measurement and sustainable finance lending.

New Council Members are appointed by the existing Council of Management from time to time and our Council Review committee deals with trustee recruitment. During the year we were delighted to welcome back Maryann Selfe who brings her experience as an investment advisor and a particular interest in impact investing. During the reporting period, there were Council sub-committees and working groups dealing with Finances, Staffing, Council Review, Investment Policy and Fundraising Support. Ad hoc groups of Council Members are formed when needed by the full Council of Management to decide on particular issues or to approve particular grants or projects. There is also a process involving all Council Members for the approval of decisions between meetings.

Related parties

As explained in note 11, the company has two US subsidiaries, EIRIS Conflict Risk Network and EIRIS USA. See note 19 for more details.

Risk management

The Council of Management has reviewed the risks facing the charity and adopted a Risk Management Policy with a specific plan to manage the identified risks. The Risks Register will be reviewed formally at least once a year by the Council of Management and quarterly by the staff team. The main risks identified relate to managing the longer term transition to a portfolio of grant and fee funded work and maintaining and developing our reputation. Specific projects and each element of our strategy have their own delivery risks that are also tracked and managed.

Policies

More details of our strategies and approach can be found on the EIRIS Foundation website at www.eirisfoundation.org. Other key policies will be made available there in due course.

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS

The Work of the Foundation

The EIRIS Foundation is a research, advice and advocacy charity that pioneers the next steps for responsible investment and sustainable finance. Our vision is of a financial system that works for people and planet, and our mission is to use research, analysis and influence to identify gaps, barriers, opportunities and enablers so organisations and individuals can maximise their contribution to the responsible business and investment agenda

Although we adopt a flexible approach to our research and advocacy, within the scope of responsible investment and business our work has focussed on the following areas:

Advancing the social dimensions of sustainable finance

Social LobbyMap — transparency of corporate lobbying on human rights and labour

During 2024 the Foundation continued development and consultation on Social LobbyMap, a multi-year project to map and analyse corporate lobbying on social issues. In May 2024 we published a draft methodology for consultation and engaged widely with civil society and investor stakeholders to refine our approach. In November 2024 we published an analysis applying the Social LobbyMap methodology to the financial sector's engagement on the EU Corporate Sustainability Due Diligence Directive (CSDDD). The work highlighted how private-sector influence shaped the exclusion of certain downstream financial activities from the scope of the Directive and set out recommendations to increase transparency and accountability in corporate public affairs activity. These outputs advanced public understanding of non-market corporate influence on social policy and provided a platform for investor and parliamentary engagement.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS (continued)

Benchmarking and business & human rights

We continued our benchmarking work and partnerships addressing business and human rights. The Foundation's benchmarking activity remains focused on providing robust, evidence-based assessments of corporate human rights performance and on supporting multi-stakeholder benchmarks that track progress and gaps. We have continued to engage with CHR-related outputs and broader benchmarking initiatives that seek to improve corporate human rights disclosure and practice across sectors. These included the Danish Institute for Human Rights benchmark of the 30 largest companies in Denmark, and the Business & Human Rights Resource Centre's Renewable Energy & Human Rights Benchmark. Our benchmarking work supports investor engagement, policy advocacy and shareholder stewardship that press companies to embed human rights due diligence into operations and supply chains.

Racial Equity Scorecard — mobilising capital for racial equity

The Foundation continued to develop and promote the Racial Equity Scorecard (a partnership-led project under the Pathway Fund), a practical framework designed to help asset owners and managers assess and mobilise capital towards racial equity in UK public markets. During the year we continued to work with partners to identify applications of the benchmark and identify opportunities to apply it to an appropriate set of major companies while encouraging its adoption by charities, asset owners and consultants as part of efforts to widen the scope of social impact measurement beyond conventional ESG metrics.

Conflict and business in conflict-affected areas

Our conflict-related work continued to equip investors with tools and guidance to understand and manage exposures where corporate activity intersects with conflict risk. The EIRIS Conflict Risk Network (CRN) and related investor commitments remain part of our effort to support consistent investor approaches to holdings exposed to conflict, to encourage better company practices, and to drive engagement that reduces adverse impacts on communities and peacebuilding.

Helping charities adopt and shape responsible investment practices

CharitySRI and charity support

Supporting charities to align investments with mission remained an organisational priority. The CharitySRI website continued as a central resource, offering practical guidance, case studies and tools for charity trustees and investment staff. During the year we published materials and case studies aimed at helping charities implement responsible investment policies and make informed choices about stewardship, impact investment and ethical savings. Peer-to-peer workshops and targeted communications continued to be used to reach charity investors and help build capacity for mission-aligned investment.

Events, training and engagement

In October 2024, we held our annual Charity Responsible Investment Conference — the third in this series — which brought together nearly 100 charity and foundation attendees. Delivered in partnership with Friends Provident Foundation and Access – The Foundation for Social Investment, the event provided a forum for trustees and staff to share experiences, discuss practical challenges, and explore how endowments can be fully aligned with charitable mission. Feedback from participants confirmed the growing appetite within the charity sector to use investment as a lever for systemic change.

Across the year we also delivered a programme of outreach including webinars, workshops and contributions to external conferences and roundtables aimed at trustees, charity investors, civil society and investment professionals. These engagements strengthened our public benefit role by helping us disseminate research findings, share good practice and catalyse collective action among charity investors.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS (continued)

Policy responses and regulatory engagement

The Foundation continued to engage with regulatory and policy consultations affecting sustainable finance, stewardship and the governance of ESG-related products and services. Our responses and participation in roundtables have sought to ensure that reforms increase transparency, protect investor stewardship activity and strengthen the social dimensions of sustainable finance.

Partnerships, networking and public benefit

Collaborations and partnerships

Throughout the year the Foundation collaborated with a range of partners—including civil society organisations, research institutes, investor groups and project partners—to deliver research, benchmarks and practical guidance. Our collaborative approach increases reach, strengthens research quality and ensures our outputs are actionable for investors, charities and policy makers.

Public benefit and knowledge dissemination

The Foundation's public-facing websites, publications and events continued to provide free and objective information to charities, investors, academics and members of the public. By publishing research, methodological notes and analysis we have supported evidence-based decision-making and contributed to the wider public good by improving transparency on corporate conduct and investor practice.

Operational developments

Governance and people

The Foundation refreshed elements of its governance and welcomed new trustees during the reporting period. Continued investment in staff capacity and communications improved our ability to deliver research outputs and to reach target audiences including charity trustees, investors and policy makers.

Future Plans

Over the next year the EIRIS Foundation will:

- Continue to refine and promote Social LobbyMap (testing methodology, broadening sectoral application and supporting investor use of findings).
- Advance adoption and practical use of the Racial Equity Scorecard with partners and charity asset owners to mobilise capital towards racial equity outcomes.
- Maintain and expand benchmarking and business & human rights work, ensuring investor-focused outputs that support engagement and policy advocacy.
- Provide continued capacity-building and tailored support for charities through CharitySRI resources, workshops and advisory engagement.
- Respond to relevant regulatory consultations and engage in multi-stakeholder fora to ensure that social risks and rights-based approaches are embedded into sustainable finance policy.
- Strengthen strategic partnerships to increase the impact, reach and sustainability of the Foundation's research and public benefit activities.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS (continued)

The Foundation remains responsive and adaptable: our work will continue to balance rigorous, independent research with practical tools for charities and investors and with advocacy where regulatory and market reforms can improve outcomes for people and planet.

All activities described above further the charity's charitable objectives by improving transparency, supporting better investor and corporate practice, and equipping charities and other stakeholders to use their capital and influence for public benefit.

FINANCIAL REVIEW

The charitable company and its subsidiaries had total income of £576,153 (2024 - £701,239) mostly from project work. Expenditure in the year totalled £815,742 (2024 - £887,329) resulting in net expenditure for the year before gains / (losses) on investments of £239,589 (2024 - net expenditure £186,090). There was a net loss on revaluation of the investments in Snowball and Castlefield during the year of £27,473 (2024 – net gain of £10,072). The resultant net expenditure for the year was £267,062 (2024 – net expenditure of £176,018) which was taken from reserves brought forward. There were restricted funds carried forward at the year-end of £269,649 (2024 – £216,601). The total funds carried forward at the year-end were £1,047,894 (2024 - £1,314,956). More details are given in the Statement of Financial Activities on page 12.

All the assets of the charity are held for the purposes described under principal activities, apart from any restricted funds which are held for specific purposes.

Reserves policy

The Council of Management decided in 2021 to invest around £1m of the current reserves in the medium term, while spending the other funds gained from the disposal of our interest in EIRIS and then our interest in Vigeo Eiris over a 3-4 year period on the work of the Foundation and building up a portfolio of grant funded work. Looking forward, the Council has set a minimum necessary reserves target based on 6 months salaries and the redundancy costs of closing programmes. This reserves policy will be reviewed annually as part of the budgeting process.

Investment Policy

To implement our reserves policy, we have divided our assets into two parts: for the money that we are spending down over 3 to 4 years the policy is to invest in a cash and similar portfolio in a range of deposit and similar instruments with institutions that have a clear policy in relation to ethical or socially responsible investment or who are mutual building societies or who demonstrate particular leadership in our field. This fund has now largely been spent down.

The other part of our present assets we are considering as our growth fund, and the Council approved a detailed responsible investment policy for this fund which is available on our website. In 2021, we undertook a public request for proposals and went on to appoint two fund managers. We undertook this exercise publicly to provide a case study for other charities looking at their investments and we plan to develop some of the learnings from this process further in future. This growth fund has been under review since the year end, in the light of spending down of our other reserves, and the Council has concluded that it should be converted in the cash and money market investments as being more appropriate to our liabilities and future plans going forward.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

COUNCIL MEMBERS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Council Members (who are the directors of EIRIS Foundation for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those financial statements, the directors are required to: -

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

AUDIT ENQUIRIES

In accordance with company law, as the company's directors, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- As the directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

INDEPENDENT AUDITORS

The auditors, Messrs. Cocke, Vellacott & Hill have indicated their willingness to continue in office and will be proposed for re-appointment in accordance with the Companies Act.

Approved by the Council of Management on 15 December 2025 and signed on their behalf by:



NINA ROTH
Chair of the Council of Management

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS AND COUNCIL OF MANAGEMENT OF EIRIS FOUNDATION**

Opinion

We have audited the financial statements of Eiris Foundation (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the consolidated statement of financial activities (including consolidated income and expenditure account), the consolidated balance sheet, the consolidated statement of cash flows and notes to the financial statements including a summary of significant accounting policies. The financial framework that has been applied in their preparation is 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".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2025, and of the group's incoming resources and application of resources 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)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Council of Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Council of Management's report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Council of Management's report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS AND TRUSTEES OF EIRIS FOUNDATION (continued)

Other matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate and proper 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 Council Members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Council of Management was not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Council Members' responsibilities statement set out on page 8 the Council of Management (who are 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 directors determine are 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

We have obtained an understanding of the company's policies and procedures through discussions with senior management and the treasurer.

We also drew on our existing understanding of the work that the company does and the sector that it operates in..

We understand that the company complies with its responsibilities through close involvement of the CEO in the day to day running of the business and regular liaison between him and the directors. Were there any litigation or claims they would come to the attention of the CEO directly.

The company also holds regular board meetings at which all such matters are discussed. Finance papers are circulated to all directors and senior management in advance of these meetings along with a detailed report by the CEO. We have reviewed these reports, and minutes of all meetings, and no irregularities were identified.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the company's ability to conduct business and where failure to comply could result in material penalties.

We have considered the disclosure requirements of the Companies Act 2006 and the Charities SORP (FRS 102) (effective 1 January 2019) as part of our finalisation processes.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS AND TRUSTEES OF EIRIS FOUNDATION (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

We discussed the possibility of fraud with senior management and whether they had any knowledge of any actual, alleged or suspected fraud. We designed our audit tests to consider controls and tested a sample of financial transactions. We considered the timing of recognition of income from members, and of grant income.

In common with all audits under ISA's (UK) we also performed specific procedures to respond to the risk of management override. We assessed the company's control environment is adequate for the size and operating model of such a company.

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

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

Use of our report

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

Cocke, Vellacott & Hill

DAVID WARREN BA FCA (Senior statutory auditor)
For and on behalf of COCKE, VELLACOTT & HILL - Statutory Auditor
Chartered Accountants
Unit 15 City Business Centre
Lower Road
LONDON SE16 2XB

18 December 2025

EIRIS FOUNDATION**(A Company Limited by Guarantee)****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES** (Including Consolidated Income and Expenditure Account)

For the year ended 31st March 2025

	Notes	Unrestricted £	Restricted £	2025 £	2024 £
Income					
<i>Donations and legacies</i>	3 (a)	1,500	373,893	375,393	384,741
<i>Income from charitable activities</i>					
Contractual research work	3 (b)	96,145	-	96,145	233,616
<i>Investment income</i>					
Bank and building society interest receivable		17,194	-	17,194	14,288
<i>Other income</i>		87,421	-	87,421	68,594
Total income		202,260	373,893	576,153	701,239
Expenditure					
<i>Costs of raising funds</i>					
Costs of raising donations and grants	4	(89,388)	-	(89,388)	(110,712)
<i>Expenditure on charitable activities</i>					
Grants payable	5	(9,720)	(9,270)	(18,990)	(33,393)
Costs of activities - research, publications, information, provision of seminars	5	(395,789)	(311,575)	(707,364)	(743,224)
Total expenditure		(494,897)	(320,845)	(815,742)	(887,329)
Net income/ (expenditure) before gains and losses on investments		(292,637)	53,048	(239,589)	(186,090)
Net gains/ (losses) on investments					
Gain / (Loss on revaluation of investments)	11	(27,473)	-	(27,473)	10,072
Gain on sale of investments	11	-	-	-	-
Net income/ (expenditure) for the year	7	(320,110)	53,048	(267,062)	(176,018)
Net movements in funds and net income/ (expenditure) for the year		(320,110)	53,048	(267,062)	(176,018)
Reconciliation of Funds					
Total funds brought forward	16	1,098,355	216,601	1,314,956	1,490,974
Total funds carried forward	16	778,245	269,649	1,047,894	1,314,956

All the operations undertaken by the company during the current and preceding year are continuing operations.

The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

There were no restricted funds in the previous year.

The notes on pages 15 to 28 form part of these accounts.

EIRIS FOUNDATION
(A Company Limited by Guarantee)

CONSOLIDATED BALANCE SHEET
As at 31st March 2025

	Notes	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Fixed assets					
Tangible assets	10	1,582	4,650	465	3,106
Investments	11	847,828	975,302	910,059	1,037,533
Total fixed assets		849,410	979,952	910,524	1,040,639
Current assets					
Debtors	12	74,655	54,792	57,922	37,740
Cash at bank and in hand		360,802	387,889	345,938	368,194
Total current assets		435,457	442,681	403,860	405,934
Liabilities					
Creditors: Amounts falling due within one year	13	(216,472)	(93,517)	(182,562)	(41,804)
Net current assets (liabilities)		218,985	349,164	221,298	364,130
Total assets less current liabilities		1,068,395	1,329,116	1,131,822	1,404,769
Provision for other liabilities	14	(20,501)	(14,160)	(20,501)	(14,160)
Net assets		1,047,894	1,314,956	1,111,321	1,390,609
The funds of the charity					
Restricted income funds	16	269,649	216,601	269,649	216,601
Unrestricted income funds	16	778,245	1,098,355	841,672	1,174,008
Total charity funds	16	1,047,894	1,314,956	1,111,321	1,390,609

The directors (trustees) have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and those prepared for circulation to members of the company.

The Financial Statements were approved by the Council of Management on 15 December 2025 and signed on their behalf by:



NINA ROTH – Chair of the Council of Management

Registered Company Number: 02460330

The notes on pages 15 to 28 form part of these accounts.

EIRIS FOUNDATION
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31st March 2025

	Notes	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Cash flows from operating activities					
Net income (expenditure) for the year		(267,062)	(176,018)	(279,288)	(160,933)
<i>Adjustments for:</i>					
Interest received		(17,194)	(14,288)	(17,194)	(14,288)
Amortisation of intangible assets		-	539	-	-
Depreciation of and loss on tangible assets	10	3,068	3,489	2,641	2,649
Net (gains) / losses on investments	11	27,474	(10,072)	27,474	(10,072)
(Decrease) Increase in provision for other liabilities	14	6,341	4,032	6,341	4,032
(Increase) decrease in debtors	12	(19,863)	78,986	(20,182)	55,853
(Decrease) increase in creditors	13	122,955	(59,067)	140,758	(51,926)
Net cash (outflow) inflow from operating activities		(144,281)	(172,399)	(139,450)	(174,685)
Cash flow from investing activities					
Purchases of intangible assets	9	-	-	-	-
Purchase of fixed asset equipment	10	-	(2,288)	-	(1,400)
Proceeds from sale of investments	11	100,000	-	100,000	-
Interest received		17,194	14,288	17,194	14,288
Net cash provided by investing activities		117,194	12,000	117,194	12,888
Net (decrease) increase in cash and cash equivalents		(27,087)	(160,399)	(22,256)	(161,797)
Cash and cash equivalents at the beginning of the period		387,889	548,288	368,194	529,991
Cash and cash equivalents at end of period		360,802	387,889	345,938	368,194

The notes on pages 15 to 28 form part of these accounts.

NOTES TO THE ACCOUNTS

For the period to 31st March 2025

1. GENERAL INFORMATION AND LEGAL STATUS

EIRIS Foundation is a registered charity and a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. It is incorporated and domiciled in England and its registered office is The Foundry, 17 -19 Oval Way, London SE11 5RR.

The charitable company's principal activity continues to be to undertake and publish research into the social and ethical aspects of businesses in the UK and overseas and how those may be relevant to investment policies and, further, to assist other charities by providing information and advice to help them choose investments which do not conflict with their aims or otherwise hamper their work. The charitable company's main US subsidiary provides investors with the research, insights, and engagement support they need to identify and influence companies that impact or operate in conflict-affected areas in order to reduce conflict risks to both people and portfolios. EIRIS Conflict Risk Network (CRN) is now dormant and the EIRIS CRN project is run by Ethical Investment Research Services (EIRIS) USA Limited

2. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to the accounts. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102) and the Companies Act 2006.

The accounts consolidate the results of the charitable company and its subsidiaries, Ethical Investment Research Service (EIRIS) USA and EIRIS Conflict Risk Network (CRN) on a line-by-line basis. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. A separate Statement of Financial Activities and Income and Expenditure Account for the charitable company have not been presented because the charitable company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The directors have approved the omission of the company's individual income and expenditure account in accordance with section 414(1) from the company's annual accounts.

EIRIS Foundation meets the definition of a public benefit entity under FRS 102.

The Council of Management considers, having reviewed the charitable company's forecasts and projections, that there are no material uncertainties about its ability to continue as a going concern for the foreseeable future and have therefore adopted the going concern basis in preparing these financial statements.

(b) Income from trading activities

Income represents contracts for the provision of research and advice on responsible investment and is shown net of value added tax. Income invoiced in advance of the period is deferred to the period it relates to. (see note 15).

(c) Donations and similar income

Donations and grants receivable are accounted for in the period in which the charity becomes entitled to them and they can be measured with reasonable certainty. Income is deferred if the donor specifies conditions that the income is to be spent in a future period. Donations and grants are used in accordance with the wishes of the grantors.

Any donated services are included in the statement of financial activities at the estimated value to the charity of the service or facility received, i.e., at the price the company estimates it would pay in the open market for a service of equivalent utility to the charity. An equivalent amount to that recognised as income is included as expenditure under the appropriate heading in the statement of financial activities.

2. ACCOUNTING POLICIES (continued)

(d) Interest receivable

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

(e) Fund accounting

Unrestricted income funds comprise those funds which the Council of Management is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include any designated funds where the Council of Management, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are used in accordance with specific restrictions imposed by the donor.

(f) Expenditure recognition

Expenditure is recognised once 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.

Grants payable are made to third parties in the furtherance of the charitable objectives of the charity. Grants are accounted for when the Council of Management has agreed to pay a grant without condition and the recipient has a reasonable expectation that they will receive the grant. Provisions for grants are made when the intention to make the grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of the grant.

All expenditure is accounted for on an accruals basis. Expenditure is classified under the following activity headings:

- Costs of generating funds comprise the costs associated with attracting voluntary income and investment management costs together with an apportionment of support costs.
- Charitable activities expenditure comprises those costs including grant making incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other expenditure represents those items not falling into any other heading.

(g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, finance, payroll and governance costs.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. These include the audit fees, legal fees and costs linked to the strategic management of the charity.

Support and governance costs are allocated between cost of raising funds and expenditure on charitable activities on a reasonable, justifiable and consistent basis, e.g., taking into account the balance of other spending and staff time applicable to each activity. The allocation of support and governance costs is analysed in note 6.

(h) Foreign currency

The financial statements of the charitable company are presented in Sterling (£) which is its functional currency.

Transactions in foreign currencies are translated into sterling at the exchange rate in operation on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates. All revaluation differences and foreign exchange differences are taken to the statement of financial activities.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2025

2. ACCOUNTING POLICIES (continued)

(i) Business combinations and goodwill

Acquisition of subsidiaries are accounted for using the purchase method. The cost of the business combination is the fair value of the consideration given, liabilities incurred or assumed plus the costs directly attributable to the business combination. Any excess of the cost of the business combination over the group's interest in the net fair value of the identifiable assets and liabilities acquired is recognised as goodwill.

Goodwill is amortised over its estimated useful life, which the Council of Management have deemed to be 3 years, using the straight line basis. Goodwill is assessed for impairment when there are indicators of impairment, and any impairment is charged to the income and expenditure account.

(j) Tangible Fixed Assets

Tangible fixed assets are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation has been provided on the tangible fixed assets at an annual rate of 25% on the straight-line method, except on computer equipment on which it is provided at an annual rate of 33% on the straight-line method so as to write off the assets over their estimated useful life.

(k) Fixed asset investments

Other Investments – Snowball and Castlefield funds – Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price quoted by the fund provider. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment in subsidiaries – Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

(l) Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount is reduced to its recoverable amount and an impairment loss is recognised in the profit and loss account.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount but not in excess of the amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised in the profit and loss account.

(m) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments held at call with banks and building societies.

(n) Debtors

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

(o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(p) Pensions

The company contributes to pension arrangements on behalf of its employees. Contributions payable for the year are charged in the profit and loss account when they are due. The amount of contributions recognised in the statement of financial activities as an expense is as shown in note 8.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2025

3. (a) DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	Total 2025 £	Total 2024 £
Donations				
Castlefield	1,500	-	1,500	-
Grants				
Barrow Cadbury Trust – Social Investment in Charity Pooled Funds	-	-	-	10,000
Laudes Foundation – Social LobbyMap	-	363,893	363,893	247,723
Friends Provident Foundation – Charity Responsible Investment event	-	5,000	5,000	-
Friends Provident Foundation – Utilising Whole Endowments for Mission Access – Charity Responsible Investment event	-	5,000	5,000	5,932
The Opens Society Policy Centre (OSPC) – Social LobbyMap	-	-	-	121,086
	-	373,893	373,893	384,741
Total	1,500	373,893	375,393	384,741

3. (b) CONTRACTUAL RESEARCH WORK

	Unrestricted £	Restricted £	Total 2025 £	Total 2024 £
Danish Institute and other Human Rights Projects	25,474	-	25,474	115,586
Conflict Risk Network	55,671	-	55,671	63,655
BHRRRC Renewable Energy & Human Rights Benchmark	15,000	-	15,000	30,000
Racial Equity Scorecard	-	-	-	24,375
Total	96,145	-	96,145	233,616

4. COSTS OF RAISING FUNDS

	2025 £	2024 £
Costs of raising grants and donations		
Fundraising support	1,276	-
Staff costs (see note 8)	41,356	63,114
Governance costs (see note 6)	3,710	3,675
Support costs (see note 6)	43,046	43,923
Total	89,388	110,712

All of the costs of raising funds were from unrestricted funds in both years.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2025

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Grants payable	Research projects	Total	2024
	£	£	£	£
Grants (see note below)	18,990	-	18,990	33,393
Research projects and seminars	-	55,796	55,796	25,370
Staff costs (see note 8)	-	376,740	376,740	389,771
Website and IT costs	-	3,535	3,535	10,642
Subscriptions to publications and services	-	10,715	10,715	9,903
Business travel	-	8,035	8,035	6,770
Governance costs (see note 6)	-	53,469	53,469	53,420
Support costs (see note 6)	-	199,074	199,074	247,348
Total	18,990	707,364	726,354	776,617

Expenditure on charitable activities was £726,354 (2024 - £776,617) of which £320,845 (2024 - £168,140) was expenditure from restricted funds and £405,509 (2024 - £608,477) was expenditure from unrestricted funds.

Grants paid in the current and previous year were to an institution, Ecodes for research assistance with Danish Institute Project, Social Lobby Map and the BHRRC Renewable Energy & Human Rights Benchmark.

6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Other support	Governance related	2025 Total	2024 Total
	£	£	£	£
Staff costs (see note 8)	128,822	35,459	164,281	205,903
Legal and professional	26,235	10,864	37,099	39,247
Audit fees	-	5,400	5,400	5,160
Committee expenses	-	50	50	851
Meeting room and office rent and service charges	47,029	3,154	50,183	51,786
Website and IT costs	14,479	979	15,458	15,940
Insurance	6,810	169	6,979	6,508
Bank charges	606	24	630	1,026
Memberships	3,934	135	4,069	3,162
Training and other staff expenses	5,781	435	6,216	11,948
Subscriptions to publications and services	1,063	80	1,143	953
Sundry expenses	4,478	245	4,723	1,880
Amortisation of goodwill	-	-	-	540
Depreciation	2,883	185	3,068	3,462
Total	242,120	57,179	299,299	348,366
Allocated to: Cost of raising funds (note 4)	43,046	3,710	46,756	47,598
Expenditure on charitable activities (note 5)	199,074	53,469	252,543	300,768
	242,120	57,179	299,299	348,366

The charitable company initially identifies the costs of its support functions. It then identifies those support costs which relate to the governance function. Governance costs and other support costs are then apportioned on the basis of time spent and other expenditure between the costs of raising funds and its key charitable activities undertaken (see notes 4 and 5 above) in the year.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2025

7. NET INCOME (EXPENDITURE)

	2025	2024
	£	£
This is stated after charging the following:		
Staff costs (see note 8)	582,377	658,788
<i>Auditors' remuneration (inc. VAT)</i>		
Audit fees	5,400	5,160
Accountancy and general advice	4,500	4,740
Tax advisory services	300	300
Operating lease rentals	23,602	23,027
Depreciation	3,068	3,462
	582,377	658,788

8. DIRECTORS AND EMPLOYEES

	2025	2024
	£	£
Salaries and wages	482,961	537,342
Social security costs	58,469	69,419
Pension costs	40,947	52,027
	582,377	658,788

The staff costs include a termination payment of £12,020 made and recognised in the period. The staff costs have been allocated between cost of raising funds and expenditure on charitable activities as follows:

Costs of raising funds (note 4)		
Staff costs	41,356	63,114
Governance (note 6)	2,090	2,176
Support costs (note 6)	9,697	26,176
Expenditure on charitable activities (note 5)		
Staff costs	376,740	389,771
Other support costs (note 6)	119,125	142,887
Governance (note 6)	33,369	34,664
	582,377	658,788

The average number of employees during the year was:

	No.	No.
Administration	1	1
Research & Project work	9	12
	10	13

None of the Council Members (who are also the trustees of the charity and directors of the Company) received any reimbursement for expenses or remuneration from employment or payment for professional or other services supplied to the charity during the current or preceding year.

The charity considers its key management personnel comprise the trustees and the Chief Executive Officer. The total employment benefits including employer pension contributions of the key management personnel were £83,557 (2024 - £83,708).

One employee received emoluments (excluding employer pension costs) exceeding £60,000 during the year within the band of £70,000 to £80,000 (2024 – one within the band £70,000 to £80,000).

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2025

9. CORPORATION TAX

The charitable company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10. TANGIBLE FIXED ASSETS

	Group Office equipment	Charity Office equipment
	£	£
<i>Cost at April 2024</i>	13,244	11,179
Additions during the year	-	-
Disposals and scrapped during the year	-	-
Cost at 31 March 2025	13,244	11,179
<i>Accumulated depreciation at 1 April 2024</i>	8,594	8,073
Charge for the year	3,068	2,641
Accumulated depreciation on disposals and scrapped assets	-	-
Depreciation at 31 March 2025	11,662	10,714
Net book amount at 31 March 2025	1,582	465
<i>Net book value at 31 March 2024</i>	4,650	3,106

11. FIXED ASSET INVESTMENTS

The Group

	Other Investments	2025 Total	2024 Total
	£	£	£
At market value 1 April	975,302	975,302	965,230
Additions	-	-	-
Disposals	(100,000)	(100,000)	-
Net gain/(loss) on revaluation	(27,474)	(27,474)	10,072
Market value at 31 March	847,828	847,828	975,302

EIRIS Foundation invests in two investment funds: Castlefield Investment Partners LLP (Castlefield) an investment management and financial planning business with a reputation for being at the forefront of ethical and sustainable investing. Snowball Impact Investments LP (Snowball) which invests all capital for social and environmental impact as well as financial returns. Both investments are carried at their fair value which is the net asset value (NAV) prevailing on the valuation date provided by investment managers.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2025

11. FIXED ASSET INVESTMENTS (continued)

The Charity

	Other Investments	Investment in subsidiaries	2025 Total	2024 Total
	£	£	£	£
At cost at 1 April	-	62,231	62,231	62,231
At market value 1 April	975,302	-	975,302	965,230
Additions at cost	-	-	-	-
Disposals	(100,000)	-	(100,000)	-
Net gain/(loss) on revaluation	(27,474)	-	(27,474)	10,072
Cost at 31 March		62,231	62,231	62,231
Market value at 31 March	847,828		847,828	975,302
Total investments	847,828	62,231	910,059	1,037,533

EIRIS Foundation invests in Castlefield Investment Partners LLP (Castlefield) an investment management and financial planning business with a reputation for being at the forefront of ethical and sustainable investing and, in Snowball Impact Investments LP (Snowball) which invests all capital for social and environmental impact as well as financial returns. Both investments are carried at their fair value which is the net asset value (NAV) prevailing on the valuation date provided by investment managers.

The investment in subsidiaries consists of two US companies, EIRIS Conflict Risk Network (CRN) and EIRIS USA and is shown at cost. EIRIS CRN is now dormant and the work of EIRIS CRN has been transferred to EIRIS USA.

No dividends or other distributions were received from the subsidiary companies during the current or preceding year.

See note 19 for more details of the subsidiary companies.

12. DEBTORS

	Group 2025	Group 2024	Charity 2025	Charity 2024
	£	£	£	£
Trade debtors	23,019	14,098	10,000	-
Other debtors	2,907	2,907	2,907	2,907
Prepayments and accrued income	48,729	37,787	45,015	34,833
	74,655	54,792	57,922	37,740

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2025

13. CREDITORS: Amounts falling due within one year

	Group	Group	Charity	Charity
	2025	2024	2025	2024
	£	£	£	£
Trade creditors	40,077	10,434	39,728	5,410
Taxation and social security costs	60	665	-	-
Other creditors	6,767	11,284	6,767	7,618
Accruals and deferred income	169,568	71,134	136,067	28,776
	<u>216,472</u>	<u>93,517</u>	<u>182,562</u>	<u>41,804</u>

Deferred income

Deferred income included above comprises income received in advance of the period of commitment.

	Group	Group	Charity	Charity
	2025	2024	2025	2024
	£	£	£	£
Balance as at 1 April 2024	32,358	44,282	-	-
Amount released to income from charitable activities	(32,358)	(44,282)	-	-
Amount deferred in year	119,529	32,358	93,774	-
Balance as at 31 March 2025	<u>119,529</u>	<u>32,358</u>	<u>93,774</u>	<u>-</u>

14. PROVISION FOR OTHER LIABILITIES

The Group and Charitable Company

	Leave pay provision
	£
Provision at 1 April 2024	14,160
Additions	20,501
Utilised in the year	(14,160)
Provision at 31 March 2025	<u>20,501</u>

The leave pay provision represents holiday balances accrued as a result of services rendered in the reporting year and which employees are entitled to carry forward. The provision is measured as the salary cost payable at the year-end for the period of absence.

15. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year other than those with the company's wholly controlled subsidiary companies. See note 19 for more details of the subsidiary companies

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2025

16. INCOME FUNDS

Analysis of Group fund movements

	Balance b/fwd £	Income/ (Gains) £	Expenditure/ (losses) £	Balance c/fwd £
Unrestricted funds				
General income fund	1,098,355	202,260	(522,370)	778,245
Restricted funds				
Social Investment in Charity Pooled Funds	8,000	-	(7,000)	1,000
Laudes Foundation for Social LobbyMap	120,462	363,893	(241,263)	243,092
Charity Responsible Investment event	-	10,000	(10,000)	-
OSPC for Social LobbyMap	88,139	-	(62,582)	25,557
Total restricted funds	216,601	373,893	(320,845)	269,649
Total funds	1,314,956	576,153	(843,215)	1,047,894

Analysis of Charity fund movements

	Balance b/fwd £	Income/ (Gains) £	Expenditure/ (losses) £	Balance c/fwd £
Unrestricted funds				
General income fund	1,174,008	146,590	(478,926)	841,672
Restricted funds				
Social Investment in Charity Pooled Funds	8,000	-	(7,000)	1,000
Laudes Foundation for Social LobbyMap	120,462	363,893	(241,263)	243,092
Charity Responsible Investment event	-	10,000	(10,000)	-
OSPC for Social LobbyMap	88,139	-	(62,582)	25,557
Total restricted funds	216,601	373,893	(320,845)	269,649
Total funds	1,390,609	520,483	(799,771)	1,111,321

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2025

16. INCOME FUNDS (continued)

Analysis of Group fund movements – previous year

	<i>Balance b/fwd</i> £	<i>Income/ (Gains)</i> £	<i>Expenditure/ (losses)</i> £	<i>Balance c/fwd</i> £
Unrestricted funds				
General income fund	1,490,974	326,570	(719,189)	1,098,355
Restricted funds				
Social Investment in Charity Pooled Funds	-	10,000	(2,000)	8,000
Laudes Foundation for Social LobbyMap	-	247,723	(127,261)	120,462
Utilising Whole Endowments for Mission	-	5,932	(5,932)	-
OSPC for Social LobbyMap	-	121,086	(32,947)	88,139
Total restricted funds	-	384,741	(168,140)	216,601
Total funds	1,490,974	711,311	(887,329)	1,314,956

Analysis of Charity fund movements – previous year

	<i>Balance b/fwd</i> £	<i>Income/ (Gains)</i> £	<i>Expenditure/ (losses)</i> £	<i>Balance c/fwd</i> £
Unrestricted funds				
General income fund	1,551,542	262,915	(640,449)	1,174,008
Restricted funds				
Social Investment in Charity Pooled Funds	-	10,000	(2,000)	8,000
Laudes Foundation for Social LobbyMap	-	247,723	(127,261)	120,462
Utilising Whole Endowments for Mission	-	5,932	(5,932)	-
OSPC for Social LobbyMap	-	121,086	(32,947)	88,139
Total restricted funds	-	384,741	(168,140)	216,601
Total funds	1,551,542	647,656	(808,589)	1,390,609

Description of funds

The unrestricted general fund represents the 'free reserves' after allowing for all designated funds available to be spent at the discretion of the Council of Management.

The restricted funds relate to grants and sponsorships given for specific purposes and which were spent on those purposes. Some of the restricted funds received during the year were not fully spent during the year and there were balances carried forward to be spent in the following year as shown above (2024 - no restricted fund balances brought forward).

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2025

17. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Group General funds	Group Restricted funds	Total Group funds	Charity General funds	Charity Restricted funds	Total Charity funds
	£	£	£	£	£	£
Intangible assets	-	-	-	-	-	-
Fixed assets	1,582	-	1,582	465	-	465
Fixed asset investments	747,828	100,000	847,828	810,059	100,000	910,059
Cash at bank and in hand	108,379	252,423	360,802	93,515	252,423	345,938
Other current assets	63,655	11,000	74,655	46,922	11,000	57,922
Creditors of less than one year	(122,698)	(93,774)	(216,472)	(88,788)	(93,774)	(182,562)
Provisions for liabilities	(20,501)	-	(20,501)	(20,501)	-	(20,501)
Total	778,245	269,649	1,047,894	841,672	269,649	1,111,321

ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS – PREVIOUS YEAR

	Group General funds	Group Restricted funds	Total Group funds	Charity General funds	Charity Restricted funds	Total Charity funds
	£	£	£	£	£	£
Intangible assets	-	-	-	-	-	-
Fixed assets	4,650	-	4,650	3,106	-	3,106
Fixed asset investments	975,302	-	975,302	1,037,533	-	1,037,533
Cash at bank and in hand	195,361	192,528	387,889	175,666	192,528	368,194
Other current assets	30,719	24,073	54,792	13,667	24,073	37,740
Creditors of less than one year	(93,517)	-	(93,517)	(41,804)	-	(41,804)
Provisions for liabilities	(14,160)	-	(14,160)	(14,160)	-	(14,160)
Total	1,098,355	216,601	1,314,956	1,174,008	216,601	1,390,609

18. FINANCIAL COMMITMENTS

Operating leases

The company had the following future minimum lease payments under non – cancellable operating leases for each of the following years:

	2025	2024
	£	£
Payments due:		
<i>Land and buildings: -</i>		
Not later than one year	27,633	27,633
Later than one year and not later than five years	50,660	78,293
Total	78,293	105,926

With regard to the premises lease, the company can end the lease earlier than the agreed date after a written notice period of four calendar months, running from the end of the month in which notice is given and after it pays the rent charges accruing for the rent period (these amount to £11,801 (2024 - £11,514)).

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2025

19. DETAILS OF CONSOLIDATED SUBSIDIARIES

<u>Name of company</u>	<u>Country of incorporation</u>	<u>Details of investment</u>	<u>% held</u>
Ethical Investment Research Services (EIRIS) USA	USA	Membership	100%
EIRIS Conflict Risk Network	USA	Membership	100%

Ethical Investment Research Services (EIRIS) USA

The aggregate amount of capital and reserves at the year end and profit or loss for the year for EIRIS USA is as follows:

	2025	2024
	£	£
Aggregate amount of capital and reserves	<u>(1,196)</u>	<u>(13,424)</u>
Profit / (loss) for the year	<u>12,228</u>	<u>(14,547)</u>

The registered office of Ethical Investment Research Services (EIRIS) USA is Crown Colony Office Park 300 Congress Street, Suite 406, Quincy, MA 02169 USA.

EIRIS Conflict Risk Network

The aggregate amount of capital and reserves at the year end and profit or loss for the year for EIRIS Conflict Risk Network is as follows:

	2025	2024
	£	£
Aggregate amount of capital and reserves	<u>-</u>	<u>-</u>
Profit / (loss) for the year	<u>-</u>	<u>-</u>

The registered office of EIRIS Conflict Risk Network is Crown Colony Office Park 300 Congress Street, Suite 406, Quincy, MA 02169 USA. The Company is now dormant and the EIRIS CRN project has been transferred to EIRIS USA

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2025

20. PRIOR YEAR CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Including Consolidated Income and Expenditure Account) For the year ended 31st March 2024

	Notes	Unrestricted £	Restricted £	2024 £	2023 £
Income					
Donations and legacies	3 (a)	-	384,741	384,741	60,250
<i>Income from charitable activities</i>					
Contractual research work	3 (b)	233,616	-	233,616	300,960
<i>Investment income</i>					
Bank and building society interest receivable		14,288	-	14,288	10,602
Other income		68,594	-	68,594	30,758
Total income		316,498	384,741	701,239	402,570
Expenditure					
<i>Costs of raising funds</i>					
Costs of raising donations and grants	4	(110,712)	-	(110,712)	(67,186)
<i>Expenditure on charitable activities</i>					
Grants payable	5	(33,393)	-	(33,393)	(75,009)
Costs of activities - research, publications, information, provision of seminars	5	(575,084)	(168,140)	(743,224)	(586,013)
Total expenditure		(719,189)	(168,140)	(887,329)	(728,208)
Net income/ (expenditure) before gains and losses on investments		(402,691)	216,601	(186,090)	(325,638)
Net gains/ (losses) on investments					
Gain / (Loss on revaluation of investments)	12	10,072	-	10,072	(25,002)
Gain on sale of investments	12	-	-	-	-
Net income/ (expenditure) for the year	7	(392,619)	216,601	(176,018)	(350,640)
Net movements in funds and net income/ (expenditure) for the year		(392,619)	216,601	(176,018)	(350,640)
Reconciliation of Funds					
Total funds brought forward	17	1,490,974	-	1,490,974	1,841,614
Total funds carried forward	17	1,098,355	216,601	1,314,956	1,490,974

All the operations undertaken by the company during the current and preceding year are continuing operations.

The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

There were no restricted funds in the previous year.

EIRIS FOUNDATION

England & Wales - Charity number 1020068

Accounts

EIRIS FOUNDATION
(A Company Limited by Guarantee)

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31st MARCH 2024

Registered Charity Commission Reference Number: 1020068

Registered Company Number: 02460330

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Pages	9 - 11	Independent Auditors' Report
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Page	13	Consolidated Balance Sheet
Page	14	Consolidated Statement of cash flows
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LEGAL AND ADMINISTRATIVE INFORMATION

REGISTERED COMPANY NUMBER:	02460330
CHARITY REGISTRATION NUMBER:	1020068
COUNCIL OF MANAGEMENT:	Nina Roth (Chair) Áine Clarke Ivana Gazibara Aaron Hay Richard Howitt Rebecca Kong Camilla Parke Vaidehee Sachdev Maryann Selfe Frances Way
CHIEF EXECUTIVE OFFICER:	Peter Webster
COMPANY SECRETARY:	Lisa Stonestreet
REGISTERED AND PRINCIPAL OFFICE:	The Foundry 17-19 Oval Way London SE11 5RR
AUDITORS:	Cocke, Vellacott & Hill Chartered Accountants Unit 15 City Business Centre Lower Road LONDON SE16 2XB
BANKERS:	Unity Trust Bank 9 Brindley Place 4 Oozells Square BIRMINGHAM B1 2HB
SOLICITORS:	Bates, Wells & Braithwaite 10 Queen St Place LONDON EC4R 1BE
IMPACT INVESTING ADVISERS:	Sonnet Advisory and Impact 45 Flitwick Road Amphill Bedfordshire MK45 2NS

REPORT OF THE COUNCIL OF MANAGEMENT

For the year ended 31 March 2024

The Council of Management presents its annual report together with the consolidated financial statement of the charitable company and its subsidiaries for the year ended 31st March 2024. The accounts comply with the Charities Act 2011, the Companies Act 2006, the requirements of the charity's governing document 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 (FRS 102) (effective 1 January 2019). This report combines the Trustees' annual report for the purposes of the Charities Act 2011 and the directors' report for the purposes of the Companies Act 2006.

The EIRIS Foundation is a company limited by guarantee without share capital. Each member's liability is limited to £1. The company is a registered charity, and its affairs are governed by its memorandum and articles of association.

OBJECTIVES AND ACTIVITIES

Objects and mission

The EIRIS Foundation's objects are to undertake and publish research into the social and ethical aspects of businesses in the UK and overseas and how those may be relevant to investment policies and to assist other charities by providing information and advice to help them choose investments which do not conflict with their aims or otherwise hamper their work.

Following a review of our goals and mission we have concluded that the best way to describe our current work and the role we want to play in future is that the EIRIS Foundation is a research, advice and advocacy charity that pioneers the next steps for sustainable finance. Our vision is a financial system that works for people and planet.

We have over 40 years' experience of providing free and objective information on sustainable finance and corporate activity to other charities and the public.

Our strengths. The EIRIS Foundation is a founder of the ethical and responsible investment movement. From our historic involvement in the creation of the first retail ethical fund in the UK to our founding role with the Corporate Human Right's Benchmark (CHRB), our work illustrates our core strengths:

- **A pioneering spirit.** We consistently bridge the gaps in what is needed, including on difficult, underserved topics.
- **Independence.** As a charity, we can avoid conflicts of interest.
- **Catalysing coalitions.** That independence, plus a wide network of long-standing connections, mean we can bring together broad collaborations when required.
- **Supporting innovations.** We can both deploy innovations ourselves and recognize and support great innovations from others.
- **Quality of methods and outputs.** Our research findings are known for their independence and high standards.

How we generate impact. We look for activities which use our strengths to have one or more of these effects:

- **Moving the money to more sustainable options and to finance sustainable solutions.**
- **Embedding values in the investment chain, from the saver/pension scheme member all the way to the portfolio manager.**
- **Amplifying the sustainable investor voice on company plans; leadership; and business culture.**

We have the skills and experience to find solutions that bridge the gaps in today's finance system. We aim to have impact in several connected domains. Within each we build coalitions, and both generate and support innovations. The impact in each is money moved, values embedded in investment decisions, and more pressure from sustainable voices. The cumulative effect moves us towards a finance system that works for people and planet.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

OBJECTIVES AND ACTIVITIES (continued)

Code of Conduct and other policies

To underpin these objects, the EIRIS Foundation has adopted a Code of Conduct (available on our website) which sets out our values as an organisation and the standards of behaviour we hold ourselves and those we work with accountable to as we deliver our mission. The Code summarises a number of commitments to and expectations of our employees which are developed further in our Staff Handbook. It also underpins relationships with partners, funders, suppliers and other stakeholders.

In addition to the policies and approach set out in the Code of Conduct

- (a) The trustees are mindful of the Charity Commission's guidance on public benefit including the guidance 'public benefit: running a charity (PB2)
- (b) The EIRIS Foundation is not qualified or authorised to give financial advice. From time to time, we will comment on or research the more general aspects of the relationship between financial performance, business success and responsible investment or corporate responsibility but we always emphasise that this should not be taken as financial advice.
- (c) We will take appropriate financial advice on the investment of our reserves.

Grant making policy

The Council of Management has reviewed our grant making policy in the light of our new strategy to cover any cases where we decide to fund third parties to carry out our work or to share funding for research. All such uses of funds will be in accordance with the objectives of the charitable company.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The EIRIS Foundation is a company limited by guarantee without share capital. Each member's liability is limited to £1. The company is a registered charity, and its affairs are governed by its memorandum and articles of association.

The governing body of the EIRIS Foundation is the Council of Management, which now generally meets four times a year. It receives reports from the CEO.

The Council of Management and the chief executive are the key management personnel of the charity in charge of directing and controlling the charity and the running and operation of the charity on a day to day basis.

The Council Members who fulfil the roles of trustees of the charity and directors of the company were as followed during the reporting period:

Nina Roth (Chair)	
David Bent-Hazelwood	
Áine Clarke	(appointed 24 January 2024)
Ivana Gazibara	(appointed 24 January 2024)
Aaron Hay	
Richard Howitt	
Rebecca Kong	
Camilla Parke	
Vaidehee Sachdev	(appointed 24 January 2024)
Frances Way	

Since the year-end, David Bent-Hazlewood has retired from the Council following the October meeting having previously stepped down from the role of Chair after leading the Council for a number of years. David has brought his wide range of skills and experience of strategy development and sustainable business to our work, first as a Council Member and then as Chair. He played a vital role as our representative on the Vigeo Eiris board in the period between the merger of our former subsidiary with Vigeo and the sale of Vigeo Eiris to Moody's as the first step on the way to the creation of Moody's ESG. We are grateful to David for his insights and wisdom and wish him all the best in his future endeavours.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

New Council Members are appointed by the existing Council of Management from time to time and our Council Review committee deals with trustee recruitment. During the year we have been delighted to welcome Áine Clarke, Ivana Gazibara, and Vaidehee Sachdev as new Council Members, who will further enhance the Council's experience in the fields of human rights, sustainable finance and innovation in capital markets. After the year-end we were also delighted to welcome back Maryann Selfe who brings her experience as an investment advisor and a particular interest in impact investing. During the reporting period, there were Council sub-committees and working groups dealing with Finances, Staffing, Council Review, Investment Policy and Fundraising Support. Ad hoc groups of Council Members are formed when needed by the full Council of Management to decide on particular issues or to approve particular grants or projects. There is also a process involving all Council Members for the approval of decisions between meetings.

Related parties

As explained in note 12, the company has two US subsidiaries, EIRIS Conflict Risk Network and EIRIS USA. See note 20 for more details.

Risk management

The Council of Management has reviewed the risks facing the charity and adopted a Risk Management Policy with a specific plan to manage the identified risks. The Risks Register will be reviewed formally at least once a year by the Council of Management and quarterly by the staff team. The main risks identified relate to managing the longer term transition to a portfolio of grant and fee funded work and maintaining and developing our reputation. Specific projects and each element of our strategy have their own delivery risks that are also tracked and managed.

Policies

More details of our strategies and approach can be found on the EIRIS Foundation website at www.eirisfoundation.org. Other key policies will be made available there in due course.

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS

The Work of the Foundation

The EIRIS Foundation is a research, advice and advocacy charity that seeks to pioneer the next steps for responsible investment and sustainable finance. Our vision is a financial system that works for people and planet.

Although we adopt a flexible approach to our research and advocacy, within the scope of responsible investment and business our work has focussed on the following areas:

Advancing the social dimensions of sustainable finance

Corporate Human Rights Benchmark

In 2023, for the fifth time since its conception in 2017, the EIRIS Foundation contributed to the Corporate Human Rights Benchmark (CHRB). The research covered 110 of the biggest companies from the Apparel and Extractive sectors which completed the assessment of all 5 CHRB sectors under a revised methodology. We have been deeply committed to CHRB since the beginning and have been following the progress achieved over the years. 2023's launch of the CHRB results was combined with that of WBA's gender benchmark to highlight the intersectionality of gender issues and human rights, particularly in the apparel sector.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS (continued)

Renewable Energy and Human Rights Benchmark

The EIRIS Foundation were once again pleased to partner with the Business & Human Rights Resource Centre to produce the 2023 Renewable Energy and Human Rights Benchmark. We conducted the research in collaboration with international research partners and contributed two “reflections” to the key findings report, one on Human Rights Due Diligence and one on Stakeholder Participation. The Benchmark underscores the need for urgent government regulation and incentives, alongside investor engagement, to level the playing field and ensure the renewable energy sector secures public trust and avoids harms to communities and workers.

Business in Conflict Areas and Human Rights Due Diligence

Our conflict initiative, the EIRIS Conflict Risk Network (CRN), seeks to empower institutional investors, financial service providers, and other engaged stakeholders by providing them with the tools needed not only to detect exposure to areas affected by conflict but also to work with companies to reduce risks relating to conflict through responsible corporate practices that support peace and stability.

In 2023 EIRIS CRN developed the ‘Investor Commitments on Conflict’. The aim of the commitments is to provide a level of consistency in approach when investors deal with their holdings being exposed to conflict, as well as to signal to the public the importance of issues regarding and surrounding conflict to investors. The commitments were drafted with the help of various experts from the field of business and human rights, as well as representatives from different investor groups. EIRIS CRN also held in-person and online events for investors helping them to understand how they should respond to conflict-affected investments.

Social LobbyMap

We are pleased to have made great progress in 2023 on our social lobby map work, a three year project to investigate corporate lobbying on social issues. We are exploring which companies, and their trade associations are in favour of legislation proposing mandatory Human Rights Due Diligence (or improvements in Core Labour Standards) and which oppose such proposals. We hope this project will open up a new conversation about the relationship between corporate responsibility and public affairs work.

We held an extensive consultation phase in developing the draft methodology for Social LobbyMap and work continues to test and apply this current examples of corporate lobbying on social issues.

Racial Equity Scorecard

In early 2024 we publicly presented our Racial Equity Scorecard project.

The Racial Equity Scorecard enables asset owners to mobilise investment capital towards racial equity. It provides a framework to help charities, asset owners and managers collect data and insights on companies they invest in. It is a tool for investors to assess companies, asset managers and portfolios based on their strategies and actions taken to create wealth and inclusion for underrepresented communities. This Scorecard is unique in its mixed methods approach and is the first Racial Equity Scorecard in the UK public markets.

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS (continued)

Helping Charities adopt and shape responsible investment practices

Our work with charities encourages them not only to align their own investments with their missions and values but also to use their influence and expertise to shape sustainable finance and responsible investment. This is one of our charitable objectives so is a core facet of our own mission. We help charities by giving them practical tools and more tailored assistance (through events and 1:1 conversations) that helps them with various steps including formulating a responsible investment policy, implementing it and using their voice to call for improvements and/or best practices.

In October 2023 we held, for the 2nd year, a very successful charity responsible investment event in partnership with Friends Provident Foundation and Access – The Foundation for Social Investment. The event ‘Utilising whole endowments for mission, peer to peer learn and share’ was an opportunity for charity and foundation trustees and staff to come together to discuss all aspects of responsible investment with a particular focus on practical learnings. We also held a series of smaller, online workshops for charity investors in 2023 on topics such as revisiting your responsible investment policy, impact investment and ethical pensions and savings.

Our website, www.charitysri.org.uk, which was relaunched in early 2023, continues to support and assist charity investors with regards to responsible investment. It is an objective source of information that aims to help charities and foundations of all types and sizes invest sustainably and responsibly, using the power of their own money and influence to help create a more sustainable financial system.

Nurturing the Sustainable Finance Landscape and Considering how sustainable finance can address the Big Challenges

We continue to work on a range of issues that consider the sustainable finance landscape generally and the role of sustainable finance in addressing issues such as the climate emergency and climate justice; rising inequality and need for an integrated approach to social and environmental issues. We have responded to numerous consultations, been part of investor roundtables on these issues and fed into responses regarding sustainable labels and standards. Another aspect of this work included an investigation into Green Mortgages and the current state of the market and support system for these products. This work is ongoing as we continue to assess what future support for this area will be.

Partnerships, networking and other public benefit

Our staff team has continued to contribute in various ways across all of our strands of work with our ultimate vision in mind of supporting the transition to a more sustainable and equitable financial system. We are proud of the research, resources, events and roundtables we have produced and held and also the number of events and initiatives that we have contributed to.

All of the activities described above contribute to the charity’s public benefit aims.

The ongoing operation of our various websites and the production and sharing of our various research projects continues to provide charities, individuals, investors and other stakeholder organisations with information and resources to make their financial decisions more sustainable and to encourage the progress of human rights, environmental improvement and a number of other specific areas of charitable advancement. Our core website, www.eirisfoundation.org, includes latest news stories about our work and more general blog posts on a variety of topics continues to help others understand the work we do and point them in the direction of further useful information and resources (produced by both us and other organisations).

Future Plans

The EIRIS Foundation continues to balance the need for our research and expertise, our charitable mission and objectives and our requirement to fund our various work streams in what is a challenging funding environment. We are a flexible organisation that is always happy to collaborate and ensure our work meets a genuine need that matches the urgent action required by responsible investment and business to find solutions to some of the major challenges the world faces at the moment.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

FINANCIAL REVIEW

The charitable company and its subsidiaries had total income of £701,239 (2023 - £402,570) mostly from project work. Expenditure in the year totalled £887,329 (2023 - £728,208) resulting in net expenditure for the year before gains / (losses) on investments of £186,090 (2023 - net expenditure £325,638). There was a net gain on revaluation of the investments in Snowball and Castlefield during the year of £10,072 (2023 – net loss of £25,002). The resultant net expenditure for the year was £176,018 (2023 – net expenditure of £350,640) which was taken from reserves brought forward. There were restricted funds carried forward at the year-end of £216,601 (2023 – £Nil). The total funds carried forward at the year-end were £1,314,956 (2023 - £1,490,974). More details are given in the Statement of Financial Activities on page 12.

All the assets of the charity are held for the purposes described under principal activities, apart from any restricted funds which are held for specific purposes.

Reserves policy

The Council of Management decided in 2021 to invest around £1m of the current reserves in the medium term, while spending the other funds gained from the disposal of our interest in EIRIS and then our interest in Vigeo Eiris over a 3-4 year period on the work of the Foundation and building up a portfolio of grant funded work. Looking forward, the Council has set a minimum necessary reserves target based on 6 months salaries and the redundancy costs of closing programmes. This reserves policy will be reviewed annually as part of the budgeting process.

Investment Policy

To implement our reserves policy, we have divided our assets into two parts: for the money that we are spending down over 3 to 4 years the policy is to invest in a cash and similar portfolio in a range of deposit and similar instruments with institutions that have a clear policy in relation to ethical or socially responsible investment or who are mutual building societies or who demonstrate particular leadership in our field. This fund has now largely been spent down.

The other part of our present assets we are considering as our growth fund, and the Council approved a detailed responsible investment policy for this fund which is available on our website. In 2021, we undertook a public request for proposals and went on to appoint two fund managers. We undertook this exercise publicly to provide a case study for other charities looking at their investments and we plan to develop some of the learnings from this process further in future.

COUNCIL MEMBERS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Council Members (who are the directors of EIRIS Foundation for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those financial statements, the directors are required to: -

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

AUDIT ENQUIRIES

In accordance with company law, as the company's directors, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- As the directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

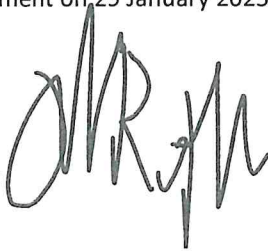
INDEPENDENT AUDITORS

The auditors, Messrs. Cocke, Vellacott & Hill have indicated their willingness to continue in office and will be proposed for re-appointment in accordance with the Companies Act.

Approved by the Council of Management on 29 January 2025 and signed on their behalf by:

NINA ROTH

Chair of the Council of Management

A handwritten signature in black ink, appearing to read 'Nina Roth', written over the printed name and title.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS AND COUNCIL OF MANAGEMENT OF EIRIS FOUNDATION**

Opinion

We have audited the financial statements of Eiris Foundation (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the consolidated statement of financial activities (including consolidated income and expenditure account), the consolidated balance sheet, the consolidated statement of cash flows and notes to the financial statements including a summary of significant accounting policies. The financial framework that has been applied in their preparation is 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".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2024, and of the group's incoming resources and application of resources 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)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Council of Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Council of Management's report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Council of Management's report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS AND TRUSTEES OF EIRIS FOUNDATION (continued)

Other matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate and proper 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 Council Members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Council of Management was not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Council Members' responsibilities statement set out on page 8 the Council of Management (who are 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 directors determine are 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

We have obtained an understanding of the company's policies and procedures through discussions with senior management and the treasurer.

We also drew on our existing understanding of the work that the company does and the sector that it operates in..

We understand that the company complies with its responsibilities through close involvement of the CEO in the day to day running of the business and regular liaison between him and the directors. Were there any litigation or claims they would come to the attention of the CEO directly.

The company also holds regular board meetings at which all such matters are discussed. Finance papers are circulated to all directors and senior management in advance of these meetings along with a detailed report by the CEO. We have reviewed these reports, and minutes of all meetings, and no irregularities were identified.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the company's ability to conduct business and where failure to comply could result in material penalties.

We have considered the disclosure requirements of the Companies Act 2006 and the Charities SORP (FRS 102) (effective 1 January 2019) as part of our finalisation processes.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS AND TRUSTEES OF EIRIS FOUNDATION (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

We discussed the possibility of fraud with senior management and whether they had any knowledge of any actual, alleged or suspected fraud. We designed our audit tests to consider controls and tested a sample of financial transactions. We considered the timing of recognition of income from members, and of grant income.


In common with all audits under ISA's (UK) we also performed specific procedures to respond to the risk of management override. We assessed the company's control environment is adequate for the size and operating model of such a company.

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

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

Use of our report

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



DAVID WARREN BA FCA (Senior statutory auditor)
For and on behalf of COCKE, VELLACOTT & HILL - Statutory Auditor
Chartered Accountants
Unit 15 City Business Centre
Lower Road
LONDON SE16 2XB

30 January 2025

EIRIS FOUNDATION**(A Company Limited by Guarantee)****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES** (Including Consolidated Income and Expenditure Account)

For the year ended 31st March 2024

	Notes	Unrestricted £	Restricted £	2024 £	2023 £
Income					
<i>Donations and legacies</i>	3 (a)	-	384,741	384,741	60,250
<i>Income from charitable activities</i>					
Contractual research work	3 (b)	233,616	-	233,616	300,960
<i>Investment income</i>					
Bank and building society interest receivable		14,288	-	14,288	10,602
<i>Other income</i>		68,594	-	68,594	30,758
Total income		316,498	384,741	701,239	402,570
Expenditure					
<i>Costs of raising funds</i>					
Costs of raising donations and grants	4	(110,712)	-	(110,712)	(67,186)
<i>Expenditure on charitable activities</i>					
Grants payable	5	(33,393)	-	(33,393)	(75,009)
Costs of activities - research, publications, information, provision of seminars	5	(575,084)	(168,140)	(743,224)	(586,013)
Total expenditure		(719,189)	(168,140)	(887,329)	(728,208)
Net income/ (expenditure) before gains and losses on investments		(402,691)	216,601	(186,090)	(325,638)
Net gains/ (losses) on investments					
Gain / (Loss on revaluation of investments)	12	10,072	-	10,072	(25,002)
Gain on sale of investments	12	-	-	-	-
Net income/ (expenditure) for the year	7	(392,619)	216,601	(176,018)	(350,640)
Net movements in funds and net income/ (expenditure) for the year		(392,619)	216,601	(176,018)	(350,640)
Reconciliation of Funds					
Total funds brought forward	17	1,490,974	-	1,490,974	1,841,614
Total funds carried forward	17	1,098,355	216,601	1,314,956	1,490,974

All the operations undertaken by the company during the current and preceding year are continuing operations.

The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

There were no restricted funds in the previous year.

The notes on pages 15 to 28 form part of these accounts.

EIRIS FOUNDATION
(A Company Limited by Guarantee)

CONSOLIDATED BALANCE SHEET
As at 31st March 2024

	Notes	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Fixed assets					
Intangible assets	10	-	539	-	-
Tangible assets	11	4,650	5,851	3,106	4,355
Investments	12	975,302	965,230	1,037,533	1,027,461
Total fixed assets		979,952	971,620	1,040,639	1,031,816
Current assets					
Debtors	13	54,792	133,778	37,740	93,593
Cash at bank and in hand		387,889	548,288	368,194	529,991
Total current assets		442,681	682,066	405,934	623,584
Liabilities					
Creditors: Amounts falling due within one year	14	(93,517)	(152,584)	(41,804)	(93,730)
Net current assets (liabilities)		349,164	529,482	364,130	529,854
Total assets less current liabilities		1,329,116	1,501,102	1,404,769	1,561,670
Provision for other liabilities	15	(14,160)	(10,128)	(14,160)	(10,128)
Net assets		1,314,956	1,490,974	1,390,609	1,551,542
The funds of the charity					
Restricted income funds	17	216,601	-	216,601	-
Unrestricted income funds	17	1,098,355	1,490,974	1,174,008	1,551,542
Total charity funds	17	1,314,956	1,490,974	1,390,609	1,551,542

The directors (trustees) have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and those prepared for circulation to members of the company.

The Financial Statements were approved by the Council of Management 29 January 2025 and signed on their behalf by:

NINA ROTH – Chair of the Council of Management



Registered Company Number: 02460330

The notes on pages 15 to 28 form part of these accounts.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31st March 2024

	Notes	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Cash flows from operating activities					
Net income (expenditure) for the year		(176,018)	(350,640)	(160,933)	(342,567)
<i>Adjustments for:</i>					
Interest received		(14,288)	(10,602)	(14,288)	(10,602)
Amortisation of intangible assets	10	539	11,584	-	-
Depreciation of and loss on tangible assets	11	3,489	3,092	2,649	2,459
Net (gains) / losses on investments	12	(10,072)	25,002	(10,072)	25,002
(Decrease) Increase in provision for other liabilities	15	4,032	5,021	4,032	5,021
(Increase) decrease in debtors	13	78,986	(8,390)	55,853	19,997
(Decrease) increase in creditors	14	(59,067)	31,119	(51,926)	8,398
Net cash (outflow) inflow from operating activities		(172,399)	(293,814)	(174,685)	(292,292)
Cash flow from investing activities					
Purchases of intangible assets	10	-	-	-	-
Purchase of fixed asset equipment	11	(2,288)	(6,654)	(1,400)	(6,532)
Purchases of investments	12	-	(500,000)	-	(500,000)
Interest received		14,288	10,602	14,288	10,602
Net cash provided by investing activities		12,000	(496,052)	12,888	(495,930)
Net (decrease) increase in cash and cash equivalents		(160,399)	(788,866)	(161,797)	(788,222)
Cash and cash equivalents at the beginning of the period		548,288	1,338,154	529,991	1,318,213
Cash and cash equivalents at end of period		387,889	548,288	368,194	529,991

The notes on pages 15 to 28 form part of these accounts.

NOTES TO THE ACCOUNTS

For the period to 31st March 2024

1. GENERAL INFORMATION AND LEGAL STATUS

EIRIS Foundation is a registered charity and a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. It is incorporated and domiciled in England and its registered office is The Foundry, 17 -19 Oval Way, London SE11 5RR.

The charitable company's principal activity continues to be to undertake and publish research into the social and ethical aspects of businesses in the UK and overseas and how those may be relevant to investment policies and, further, to assist other charities by providing information and advice to help them choose investments which do not conflict with their aims or otherwise hamper their work. The charitable company's main US subsidiary provides investors with the research, insights, and engagement support they need to identify and influence companies that impact or operate in conflict-affected areas in order to reduce conflict risks to both people and portfolios. EIRIS Conflict Risk Network (CRN) is now dormant and the EIRIS CRN project is run by Ethical Investment Research Services (EIRIS) USA Limited

2. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to the accounts. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102) and the Companies Act 2006.

The accounts consolidate the results of the charitable company and its subsidiaries, Ethical Investment Research Service (EIRIS) USA and EIRIS Conflict Risk Network (CRN) on a line-by-line basis. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. A separate Statement of Financial Activities and Income and Expenditure Account for the charitable company have not been presented because the charitable company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The directors have approved the omission of the company's individual income and expenditure account in accordance with section 414(1) from the company's annual accounts.

EIRIS Foundation meets the definition of a public benefit entity under FRS 102.

The Council of Management considers, having reviewed the charitable company's forecasts and projections, that there are no material uncertainties about its ability to continue as a going concern for the foreseeable future and have therefore adopted the going concern basis in preparing these financial statements.

(b) Income from trading activities

Income represents contracts for the provision of research and advice on responsible investment and is shown net of value added tax. Income invoiced in advance of the period is deferred to the period it relates to. (see note 15).

(c) Donations and similar income

Donations and grants receivable are accounted for in the period in which the charity becomes entitled to them and they can be measured with reasonable certainty. Income is deferred if the donor specifies conditions that the income is to be spent in a future period. Donations and grants are used in accordance with the wishes of the grantors.

Any donated services are included in the statement of financial activities at the estimated value to the charity of the service or facility received, i.e., at the price the company estimates it would pay in the open market for a service of equivalent utility to the charity. An equivalent amount to that recognised as income is included as expenditure under the appropriate heading in the statement of financial activities.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2024

2. ACCOUNTING POLICIES (continued)

(d) Interest receivable

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

(e) Fund accounting

Unrestricted income funds comprise those funds which the Council of Management is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include any designated funds where the Council of Management, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are used in accordance with specific restrictions imposed by the donor.

(f) Expenditure recognition

Expenditure is recognised once 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.

Grants payable are made to third parties in the furtherance of the charitable objectives of the charity. Grants are accounted for when the Council of Management has agreed to pay a grant without condition and the recipient has a reasonable expectation that they will receive the grant. Provisions for grants are made when the intention to make the grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of the grant.

All expenditure is accounted for on an accruals basis. Expenditure is classified under the following activity headings:

- Costs of generating funds comprise the costs associated with attracting voluntary income and investment management costs together with an apportionment of support costs.
- Charitable activities expenditure comprises those costs including grant making incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other expenditure represents those items not falling into any other heading.

(g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, finance, payroll and governance costs.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. These include the audit fees, legal fees and costs linked to the strategic management of the charity.

Support and governance costs are allocated between cost of raising funds and expenditure on charitable activities on a reasonable, justifiable and consistent basis, e.g., taking into account the balance of other spending and staff time applicable to each activity. The allocation of support and governance costs is analysed in note 6.

(h) Foreign currency

The financial statements of the charitable company are presented in Sterling (£) which is its functional currency.

Transactions in foreign currencies are translated into sterling at the exchange rate in operation on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates. All revaluation differences and foreign exchange differences are taken to the statement of financial activities.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2024

2. ACCOUNTING POLICIES (continued)

(i) Business combinations and goodwill

Acquisition of subsidiaries are accounted for using the purchase method. The cost of the business combination is the fair value of the consideration given, liabilities incurred or assumed plus the costs directly attributable to the business combination. Any excess of the cost of the business combination over the group's interest in the net fair value of the identifiable assets and liabilities acquired is recognised as goodwill.

Goodwill is amortised over its estimated useful life, which the Council of Management have deemed to be 3 years, using the straight line basis. Goodwill is assessed for impairment when there are indicators of impairment, and any impairment is charged to the income and expenditure account.

(j) Tangible Fixed Assets

Tangible fixed assets are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation has been provided on the tangible fixed assets at an annual rate of 25% on the straight-line method, except on computer equipment on which it is provided at an annual rate of 33% on the straight-line method so as to write off the assets over their estimated useful life.

(k) Fixed asset investments

Other Investments – Snowball and Castlefield funds – Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price quoted by the fund provider. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment in subsidiaries – Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

(l) Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount is reduced to its recoverable amount and an impairment loss is recognised in the profit and loss account.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount but not in excess of the amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised in the profit and loss account.

(m) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments held at call with banks and building societies.

(n) Debtors

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

(o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(p) Pensions

The company contributes to pension arrangements on behalf of its employees. Contributions payable for the year are charged in the profit and loss account when they are due. The amount of contributions recognised in the statement of financial activities as an expense is as shown in note 8.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2024

3. (a) **DONATIONS AND LEGACIES**

	Unrestricted	Restricted	Total	<i>Total</i>
Grants	£	£	2024	2023
			£	£
Barrow Cadbury Trust – Social Investment in Charity Pooled Funds	-	10,000	10,000	-
Laudes Foundation – Social LobbyMap	-	247,723	247,723	60,250
Friends Provident Foundation – Utilising Whole Endowments for Mission	-	5,932	5,932	-
The Opens Society Policy Centre (OSPC) – Social LobbyMap	-	121,086	121,086	-
Total	-	384,741	384,741	60,250

The Laudes Foundation – Social LobbyMap grant in the previous year was a restricted fund. See note 17 on income funds for more details.

3. (b) **CONTRACTUAL RESEARCH WORK**

	Unrestricted	Restricted	Total	<i>Total</i>
	£	£	2024	2023
			£	£
CHRB Human Rights Project	115,586	-	115,586	222,861
Conflict Risk Network	63,655	-	63,655	78,099
BHHRC Renewable Energy & Human Rights Benchmark	30,000	-	30,000	-
Racial Equity Scorecard	24,375	-	24,375	-
Total	233,616	-	233,616	300,960

4. **COSTS OF RAISING FUNDS**

	2024	<i>2023</i>
	£	£
Costs of raising grants and donations		
Staff costs (see note 8)	63,114	27,472
Governance costs (see note 6)	3,675	3,504
Support costs (see note 6)	43,923	36,210
Total	110,712	67,186

All of the costs of raising funds were from unrestricted funds in both years.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2024

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Grants payable £	Research projects £	Total £	2023 £
Grants (see note below)		33,393	33,393	75,009
Research projects and seminars	-	25,370	25,370	32,028
Staff costs (see note 8)	-	389,771	389,771	283,606
Website and IT costs	-	10,642	10,642	23,876
Subscriptions to publications and services	-	9,903	9,903	9,389
Business travel	-	6,770	6,770	10,173
Governance costs (see note 6)	-	53,420	53,420	63,641
Support costs (see note 6)	-	247,348	247,348	163,300
Total	-	776,617	776,617	661,022

Expenditure on charitable activities was £776,617 (2023 - £661,022) of which £168,140 (2023 - £60,250) was expenditure from restricted funds and £608,477 (2023 - £600,772) was expenditure from unrestricted funds.

Grants paid in the current and previous year were to an institution, Ecodes for research assistance with CHRB and the BHHRC Renewable Energy & Human Rights Benchmark.

6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Other support £	Governance related £	2024 Total £	2023 Total £
Staff costs (see note 8)	169,063	36,840	205,903	134,824
Legal and professional	30,896	8,351	39,247	44,700
Audit fees	-	5,160	5,160	4,920
Committee expenses	-	851	851	480
Meeting room and office rent and service charges	48,629	3,157	51,786	23,807
Website and IT costs	14,859	1,081	15,940	15,102
Insurance	6,359	149	6,508	6,249
Bank charges	972	54	1,026	464
Memberships	3,072	90	3,162	3,145
Training and other staff expenses	11,112	836	11,948	12,358
Subscriptions to publications and services	886	67	953	1,077
Sundry expenses	1,635	245	1,880	4,853
Amortisation of goodwill	511	29	540	11,584
Depreciation	3,277	185	3,462	3,092
Total	291,271	57,095	348,366	266,655

The charitable company initially identifies the costs of its support functions. It then identifies those support costs which relate to the governance function. Governance costs and other support costs are then apportioned on the basis of time spent and other expenditure between the costs of raising funds and its key charitable activities undertaken (see notes 4 and 5 above) in the year.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2024

7. NET INCOME (EXPENDITURE)

	2024	2023
	£	£
This is stated after charging the following:		
Staff costs (see note 8)	658,788	445,902
<i>Auditors' remuneration (inc. VAT)</i>		
Audit fees	5,160	4,920
Accountancy and general advice	4,740	5,040
Tax advisory services	300	300
Operating lease rentals	23,027	13,177
Depreciation	3,462	3,092
	658,788	445,902

8. DIRECTORS AND EMPLOYEES

	2024	2023
	£	£
Salaries and wages	537,342	372,974
Social security costs	69,419	37,309
Pension costs	52,027	35,619
	658,788	445,902

The staff costs have been allocated between cost of raising funds and expenditure on charitable activities as follows:

Costs of raising funds (note 4)		
Staff costs	63,114	27,472
Governance (note 6)	2,176	2,463
Support costs (note 6)	26,176	5,876
Expenditure on charitable activities (note 5)		
Staff costs	389,771	283,606
Other support costs (note 6)	142,887	89,119
Governance (note 6)	34,664	37,366
	658,788	445,902

The average number of employees during the year was:

	No.	No.
Administration	1	1
Research & Project work	12	9
	13	10

None of the Council Members (who are also the trustees of the charity and directors of the Company) received any reimbursement for expenses or remuneration from employment or payment for professional or other services supplied to the charity during the current or preceding year.

The charity considers its key management personnel comprise the trustees and the Chief Executive Officer. The total employment benefits including employer pension contributions of the key management personnel were £83,708 (2023 - £81,243).

One employee received emoluments (excluding employer pension costs) exceeding £60,000 during the year within the band of £70,000 to £80,000 (2023 – one within the band £60,000 to £70,000).

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2024

9. CORPORATION TAX

The charitable company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10. INTANGIBLE FIXED ASSETS

The group

	<u>Goodwill</u>	<u>Total</u>
	£	£
<i>Cost at 1 April 2023</i>	34,751	34,751
Additions during the year	-	-
Cost at 31 March 2024	34,751	34,751
<i>Accumulated amortisation at 1 April 2023</i>	34,212	34,212
Amortisation for the year	539	539
Amortisation at 31 March 2024	34,751	34,751
Net book amount at 31 March 2024	-	-
<i>Net book value at 31 March 2023</i>	539	539

See note 2(i) for more details of goodwill. Amortisation is included in income and expenditure for the year.

11. TANGIBLE FIXED ASSETS

	<u>Group</u>	<u>Charity</u>
	Office	Office
	<u>equipment</u>	<u>equipment</u>
	£	£
<i>Cost at April 2023</i>	11,908	9,779
Additions during the year	2,288	1,400
Disposals and scrapped during the year	(952)	-
Cost at 31 March 2024	13,244	11,179
<i>Accumulated depreciation at 1 April 2023</i>	6,057	5,424
Charge for the year	3,462	2,649
Accumulated depreciation on disposals and scrapped assets	(925)	-
Depreciation at 31 March 2024	8,594	8,073
Net book amount at 31 March 2024	4,650	3,106
<i>Net book value at 31 March 2023</i>	5,851	4,355

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2024

12. FIXED ASSET INVESTMENTS

The Group

	Other Investments	2024 Total	<i>2023 Total</i>
	£	£	£
At market value 1 April	965,230	965,230	490,232
Additions	-	-	500,000
Disposals	-	-	-
Net gain/(loss) on revaluation	10,072	10,072	(25,002)
Market value at 31 March	<u>975,302</u>	<u>975,302</u>	<u>965,230</u>

EIRIS Foundation invests in two investment funds: Castlefield Investment Partners LLP (Castlefield) an investment management and financial planning business with a reputation for being at the forefront of ethical and sustainable investing. Snowball Impact Investments LP (Snowball) which invests all capital for social and environmental impact as well as financial returns. Both investments are carried at their fair value which is the net asset value (NAV) prevailing on the valuation date provided by investment managers.

FIXED ASSET INVESTMENTS

The Charity

	Other Investments	Investment in subsidiaries	2024 Total	<i>2023 Total</i>
	£	£	£	£
At cost at 1 April	-	62,231	62,231	62,231
At market value 1 April	965,230	-	965,230	490,232
Additions at cost	-	-	-	500,000
Disposals	-	-	-	-
Net gain/(loss) on revaluation	10,072	-	10,072	(25,002)
Cost at 31 March		62,231	62,231	62,231
Market value at 31 March	<u>975,302</u>		<u>975,302</u>	<u>965,230</u>
Total investments	<u>975,302</u>	<u>62,231</u>	<u>1,037,533</u>	<u>1,027,461</u>

During the previous year EIRIS Foundation invested in Castlefield Investment Partners LLP (Castlefield) an investment management and financial planning business with a reputation for being at the forefront of ethical and sustainable investing. The year before last year the company invested in Snowball Impact Investments LP (Snowball) which invests all capital for social and environmental impact as well as financial returns. Both investments are carried at their fair value which is the net asset value (NAV) prevailing on the valuation date provided by investment managers.

The investment in subsidiaries consists of two US companies, EIRIS Conflict Risk Network (CRN) and EIRIS USA and is shown at cost. EIRIS CRN is now dormant and the work of EIRIS CRN has been transferred to EIRIS USA.

No dividends or other distributions were received from the subsidiary companies during the current or preceding year.

See note 20 for more details of the subsidiary companies.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2024

13. DEBTORS

	Group 2024 £	<i>Group</i> <i>2023</i> £	Charity 2024 £	<i>Charity</i> <i>2023</i> £
Trade debtors	14,098	77,658	-	40,204
Other debtors	2,907	3,291	2,907	3,291
Prepayments and accrued income	37,787	52,829	34,833	50,098
	<u>54,792</u>	<u>133,778</u>	<u>37,740</u>	<u>93,593</u>

14. CREDITORS: Amounts falling due within one year

	Group 2024 £	<i>Group</i> <i>2023</i> £	Charity 2024 £	<i>Charity</i> <i>2023</i> £
Trade creditors	10,434	13,938	5,410	4,708
Taxation and social security costs	665	381	-	-
Other creditors	11,284	16,900	7,618	15,983
Accruals and deferred income	71,134	121,365	28,776	73,039
	<u>93,517</u>	<u>152,584</u>	<u>41,804</u>	<u>93,730</u>

Deferred income

Deferred income included above comprises income received in advance of the period of commitment.

	Group 2024 £	<i>Group</i> <i>2023</i> £	Charity 2024 £	<i>Charity</i> <i>2023</i> £
Balance as at 1 April 2023	44,282	22,698	-	-
Amount released to income from charitable activities	(44,282)	(22,698)	-	-
Amount deferred in year	32,358	44,282	-	-
Balance as at 31 March 2024	<u>32,358</u>	<u>44,282</u>	<u>-</u>	<u>-</u>

15. PROVISION FOR OTHER LIABILITIES

The Group and Charitable Company

	Leave pay provision £
Provision at 1 April 2023	10,128
Additions	14,160
Utilised in the year	(10,128)
Provision at 31 March 2024	<u>14,160</u>

The leave pay provision represents holiday balances accrued as a result of services rendered in the reporting year and which employees are entitled to carry forward. The provision is measured as the salary cost payable at the year-end for the period of absence.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2024

16. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year other than those with the company's wholly controlled subsidiary companies. See note 20 for more details of the subsidiary companies

17. INCOME FUNDS

Analysis of Group fund movements

	Balance b/fwd £	Income/ (Gains) £	Expenditure/ (losses) £	Balance c/fwd £
Unrestricted funds				
General income fund	1,490,974	326,570	(719,189)	1,098,355
Restricted funds				
Social Investment in Charity Pooled Funds	-	10,000	(2,000)	8,000
Laudes Foundation for Social LobbyMap	-	247,723	(127,261)	120,462
Utilising Whole Endowments for Mission	-	5,932	(5,932)	-
OSPC for Social LobbyMap	-	121,086	(32,947)	88,139
Total restricted funds	-	384,741	(168,140)	216,601
Total funds	1,490,974	711,311	(887,329)	1,314,956

Analysis of Charity fund movements

	Balance b/fwd £	Income/ (Gains) £	Expenditure/ (losses) £	Balance c/fwd £
Unrestricted funds				
General income fund	1,551,542	262,915	(640,449)	1,174,008
Restricted funds				
Social Investment in Charity Pooled Funds	-	10,000	(2,000)	8,000
Laudes Foundation for Social LobbyMap	-	247,723	(127,261)	120,462
Utilising Whole Endowments for Mission	-	5,932	(5,932)	-
OSPC for Social LobbyMap	-	121,086	(32,947)	88,139
Total restricted funds	-	384,741	(168,140)	216,601
Total funds	1,551,542	647,656	(808,589)	1,390,609

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2024

17. **INCOME FUNDS** (continued)

Analysis of Group fund movements – previous year

	<i>Balance b/fwd</i> £	<i>Income/ (Gains)</i> £	<i>Expenditure/ (losses)</i> £	<i>Balance c/fwd</i> £
Unrestricted funds				
<i>General income fund</i>	1,841,614	342,320	(692,960)	1,490,974
Restricted funds				
<i>Social Influence Map</i>	-	60,250	(60,250)	-
<i>Total funds</i>	1,841,614	402,570	(753,210)	1,490,974

Analysis of Charity fund movements – previous year

	<i>Balance b/fwd</i> £	<i>Income/ (Gains)</i> £	<i>Expenditure/ (losses)</i> £	<i>Balance c/fwd</i> £
Unrestricted funds				
<i>General income fund</i>	1,894,109	264,221	(606,788)	1,551,542
Restricted funds				
<i>Social Influence Map</i>	-	60,250	(60,250)	-
<i>Total funds</i>	1,894,109	324,471	(667,038)	1,551,542

Description of funds

The unrestricted general fund represents the 'free reserves' after allowing for all designated funds available to be spent at the discretion of the Council of Management.

The restricted funds relate to grants and sponsorships given for specific purposes and which were spent on those purposes. Some of the restricted funds received during the year were not fully spent during the year and there were balances carried forward to be spent in the following year as shown above (2023 - no restricted fund balances brought forward or carried forward).

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2024

18. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Group General funds £	Group Restricted funds £	Total Group funds £	Charity General funds £	Charity Restricted funds £	Total Charity funds £
Intangible assets	-	-	-	-	-	-
Fixed assets	4,650	-	4,650	3,106	-	3,106
Fixed asset investments	975,302	-	975,302	1,037,533	-	1,037,533
Cash at bank and in hand	195,361	192,528	387,889	175,666	192,528	368,194
Other current assets	30,719	24,073	54,792	13,667	24,073	37,740
Creditors of less than one year	(93,517)	-	(93,517)	(41,804)	-	(41,804)
Provisions for liabilities	(14,160)	-	(14,160)	(14,160)	-	(14,160)
Total	1,098,355	216,601	1,314,956	1,174,008	216,601	1,390,609

ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS – PREVIOUS YEAR

	Group General funds £	Group Restricted funds £	Total Group funds £	Charity General funds £	Charity Restricted funds £	Total Charity funds £
Intangible assets	539	-	539	-	-	-
Fixed assets	5,851	-	5,851	4,355	-	4,355
Fixed asset investments	965,230	-	965,230	1,027,461	-	1,027,461
Cash at bank and in hand	548,288	-	548,288	529,991	-	529,991
Other current assets	133,778	-	133,778	93,593	-	93,593
Creditors of less than one year	(152,584)	-	(152,584)	(93,730)	-	(93,730)
Provisions for liabilities	(10,128)	-	(10,128)	(10,128)	-	(10,128)
Total	1,490,974	-	1,490,974	1,551,542	-	1,551,542

19. FINANCIAL COMMITMENTS

Operating leases

The company had the following future minimum lease payments under non – cancellable operating leases for each of the following years:

	2024 £	2023 £
Payments due:		
<i>Land and buildings: -</i>		
Not later than one year	27,633	27,633
Later than one year and not later than five years	78,293	105,926
Total	105,926	133,559

With regard to the premises lease, the company can end the lease earlier than the agreed date after a written notice period of four calendar months, running from the end of the month in which notice is given and after it pays the rent charges accruing for the rent period (these amount to £11,514 (2023 - £11,514)).

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2024

20. DETAILS OF CONSOLIDATED SUBSIDIARIES

<u>Name of company</u>	<u>Country of incorporation</u>	<u>Details of investment</u>	<u>% held</u>
Ethical Investment Research Services (EIRIS) USA	USA	Membership	100%
EIRIS Conflict Risk Network	USA	Membership	100%

Ethical Investment Research Services (EIRIS) USA

The aggregate amount of capital and reserves at the year end and profit or loss for the year for EIRIS USA is as follows:

	2024	2023
	£	£
Aggregate amount of capital and reserves	<u>(13,424)</u>	<u>1,123</u>
Profit / (loss) for the year	<u>(14,547)</u>	<u>3,511</u>

The registered office of Ethical Investment Research Services (EIRIS) USA is Crown Colony Office Park 300 Congress Street, Suite 406, Quincy, MA 02169 USA.

EIRIS Conflict Risk Network

The aggregate amount of capital and reserves at the year end and profit or loss for the year for EIRIS Conflict Risk Network is as follows:

	2024	2023
	£	£
Aggregate amount of capital and reserves	<u>-</u>	<u>-</u>
Profit / (loss) for the year	<u>-</u>	<u>-</u>

The registered office of EIRIS Conflict Risk Network is Crown Colony Office Park 300 Congress Street, Suite 406, Quincy, MA 02169 USA. The Company is now dormant and the EIRIS CRN project has been transferred to EIRIS USA

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2024

21. PRIOR YEAR CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Including Consolidated Income and Expenditure Account) For the year ended 31st March 2023

	Notes	Unrestricted £	Restricted £	2023 £	2022 £
Income					
<i>Donations</i>	3 (a)	-	60,250	60,250	-
<i>Income from charitable activities</i>					
Contractual research work	3 (b)	300,960	-	300,960	239,704
<i>Investment income</i>					
Bank and building society interest receivable		10,602	-	10,602	1,954
<i>Other income</i>		30,758	-	30,758	-
Total income		<u>342,320</u>	<u>60,250</u>	<u>402,570</u>	<u>241,658</u>
Expenditure					
<i>Costs of raising funds</i>					
Costs of raising donations and grants	4	(67,186)	-	(67,186)	(10,458)
<i>Expenditure on charitable activities</i>					
Grants payable	5	-	-	-	-
Costs of activities - research, publications, information, provision of seminars	5	(600,772)	(60,250)	(661,022)	(462,058)
Total expenditure		<u>(667,958)</u>	<u>(60,250)</u>	<u>(728,208)</u>	<u>(472,516)</u>
Net income/ (expenditure) before gains and losses on investments		(325,638)	-	(325,638)	(230,858)
Net gains/ (losses) on investments					
Loss on revaluation of investments	12	(25,002)	-	(25,002)	(9,768)
Gain on sale of investments	12	-	-	-	-
Net income/ (expenditure) for the year	7	<u>(350,640)</u>	-	<u>(350,640)</u>	<u>(240,626)</u>
Net movements in funds and net income/ (expenditure) for the year		<u>(350,640)</u>	-	<u>(350,640)</u>	<u>(240,626)</u>
Reconciliation of Funds					
Total funds brought forward	17	1,841,614	-	1,841,614	2,082,240
Total funds carried forward	17	<u>1,490,974</u>	-	<u>1,490,974</u>	<u>1,841,614</u>

All the operations undertaken by the company during the current and preceding year are continuing operations.

The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

There were no restricted funds in the previous year.

EIRIS FOUNDATION

England & Wales - Charity number 1020068

Accounts

EIRIS FOUNDATION
(A Company Limited by Guarantee)

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31st MARCH 2023

Registered Charity Commission Reference Number: 1020068

Registered Company Number: 02460330

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Pages	9 - 11	Independent Auditors' Report
Page	12	Consolidated Statement of Financial Activities (including consolidated Income and Expenditure Account)
Page	13	Consolidated Balance Sheet
Page	14	Consolidated Statement of cash flows
Pages	15 -26	Notes to the Accounts

LEGAL AND ADMINISTRATIVE INFORMATION

REGISTERED COMPANY NUMBER:	02460330
CHARITY REGISTRATION NUMBER:	1020068
COUNCIL OF MANAGEMENT:	Nina Roth (Chair) David Bent-Hazelwood Áine Clarke Ivana Gazibara Aaron Hay Richard Howitt Rebecca Kong Camilla Parke Vaidehee Sachdev Frances Way
CHIEF EXECUTIVE OFFICER:	Peter Webster
COMPANY SECRETARY:	Lisa Stonestreet
REGISTERED AND PRINCIPAL OFFICE:	The Foundry 17-19 Oval Way London SE11 5RR
AUDITORS:	Cocke, Vellacott & Hill Chartered Accountants Unit 28 City Business Centre Lower Road LONDON SE16 2XB
BANKERS:	Unity Trust Bank 9 Brindley Place 4 Oozells Square BIRMINGHAM B1 2HB
SOLICITORS:	Bates, Wells & Braithwaite 10 Queen St Place LONDON EC4R 1BE
IMPACT INVESTING ADVISERS:	Sonnet Advisory and Impact 45 Flitwick Road Amphill Bedfordshire MK45 2NS

REPORT OF THE COUNCIL OF MANAGEMENT

For the year ended 31 March 2023

The Council of Management presents its annual report together with the consolidated financial statement of the charitable company and its subsidiaries for the year ended 31st March 2023. The accounts comply with the Charities Act 2011, the Companies Act 2006, the requirements of the charity's governing document 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 (FRS 102) (effective 1 January 2019). This report combines the Trustees' annual report for the purposes of the Charities Act 2011 and the directors' report for the purposes of the Companies Act 2006.

The EIRIS Foundation is a company limited by guarantee without share capital. Each member's liability is limited to £1. The company is a registered charity, and its affairs are governed by its memorandum and articles of association.

OBJECTIVES AND ACTIVITIES

Objects and mission

The EIRIS Foundation's objects are to undertake and publish research into the social and ethical aspects of businesses in the UK and overseas and how those may be relevant to investment policies and to assist other charities by providing information and advice to help them choose investments which do not conflict with their aims or otherwise hamper their work.

Following a review of our goals and mission we have concluded that the best way to describe our current work and the role we want to play in future is that the EIRIS Foundation is a research, advice and advocacy charity that pioneers the next steps for sustainable finance. Our vision is a financial system that works for people and planet.

We have over 40 years' experience of providing free and objective information on sustainable finance and corporate activity to other charities and the public.

Our strengths. The EIRIS Foundation is a founder of the ethical and responsible investment movement. From our historic involvement in the creation of the first retail ethical fund in the UK to our founding and ongoing role with the Corporate Human Right's Benchmark (CHRB), our work illustrates our core strengths:

- **A pioneering spirit.** We consistently bridge the gaps in what is needed, including on difficult, under-served topics.
- **Independence.** As a charity, we can avoid conflicts of interest.
- **Catalysing coalitions.** That independence, plus a wide network of long-standing connections, mean we can bring together broad collaborations when required.
- **Supporting innovations.** We can both deploy innovations ourselves and recognize and support great innovations from others.
- **Quality of methods and outputs.** Our research findings are known for their independence and high standards.

How we generate impact. We look for activities which use our strengths to have one or more of these effects:

- **Moving the money to more sustainable options and to finance sustainable solutions.**
- **Embedding values in the investment chain, from the saver/pension scheme member all the way to the portfolio manager.**
- **Amplifying the sustainable investor voice on company plans; leadership; and business culture.**

We have the skills and experience to find solutions that bridge the gaps in today's finance system. We aim to have impact in several connected domains. Within each we build coalitions, and both generate and support innovations. The impact in each is money moved, values embedded in investment decisions, and more pressure from sustainable voices. The cumulative effect moves us towards a finance system that works for people and planet.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

OBJECTIVES AND ACTIVITIES (continued)

Code of Conduct and other policies

To underpin these objects, the EIRIS Foundation has adopted a Code of Conduct (available on our website) which sets out our values as an organisation and the standards of behaviour we hold ourselves and those we work with accountable to as we deliver our mission. The Code summarises a number of commitments to and expectations of our employees which are developed further in our Staff Handbook. It also underpins relationships with partners, funders, suppliers and other stakeholders.

In addition to the policies and approach set out in the Code of Conduct

- (a) The trustees are mindful of the Charity Commission's guidance on public benefit including the guidance 'public benefit: running a charity (PB2)
- (b) The EIRIS Foundation is not qualified or authorised to give financial advice. From time to time, we will comment on or research the more general aspects of the relationship between financial performance, business success and responsible investment or corporate responsibility but we always emphasise that this should not be taken as financial advice.
- (c) We will take appropriate financial advice on the investment of our reserves.

Grant making policy

The Council of Management has reviewed our grant making policy in the light of our new strategy to cover any cases where we decide to fund third parties to carry out our work or to share funding for research. All such uses of funds will be in accordance with the objectives of the charitable company.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The EIRIS Foundation is a company limited by guarantee without share capital. Each member's liability is limited to £1. The company is a registered charity, and its affairs are governed by its memorandum and articles of association.

The governing body of the EIRIS Foundation is the Council of Management, which now generally meets four times a year. It receives reports from the CEO.

The Council of Management and the chief executive are the key management personnel of the charity in charge of directing and controlling the charity and the running and operation of the charity on a day to day basis.

The Council Members who fulfil the roles of trustees of the charity and directors of the company were as followed during the reporting period:

Nina Roth (Chair)
David Bent-Hazelwood
Aaron Hay
Richard Howitt
Rebecca Kong
Camilla Parke
Maryann Umoren Selfe (retired 19 January 2023)
Frances Way

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

We are very grateful for the time and commitment to our work of the retiring Council Member Maryann Selfe. She brought a valued perspective on impact investing and was instrumental in the way we set about the public tender for the investment of our longer term investments. We wish her and her family well.

The Council was also delighted to appoint Nina Roth as our new Chair when David Bent-Hazlewood stepped down from that role after leading the Council for a number of years. David has brought his wide range of skills and experience of strategy development and sustainable business to our work, first as a Council Member and then as Chair. He played a vital role as our representative on the Vigeo Eiris board in the period between the merger of our former subsidiary with Vigeo and the sale of Vigeo Eiris to Moody's as the first step on the way to the creation of Moody's ESG. We are grateful to David for his insights and wisdom, and for his willingness to continue as a Council Member for the time being.

New Council Members are appointed by the existing Council of Management from time to time and our Council Review committee deals with trustee recruitment. Since the year end we have been delighted to welcome Áine Clarke, Ivana Gazibara, and Vaidehee Sachdev as new Council Members, who will further enhance the Council's experience in the fields of human rights, sustainable finance and innovation in capital markets. During the reporting period, there were Council sub-committees and working groups dealing with Staffing, Council Review, Investment Policy and Fundraising Support. Ad hoc groups of Council Members are formed when needed by the full Council of Management to decide on particular issues or to approve particular grants or projects. There is also a process involving all Council Members for the approval of decisions between meetings.

Related parties

As explained in note 13, the company has two US subsidiaries, EIRIS Conflict Risk Network and EIRIS USA. See note 17 for more details.

Risk management

The Council of Management has reviewed the risks facing the charity and adopted a Risk Management Policy with a specific plan to manage the identified risks. The Risks Register will be reviewed formally at least once a year by the Council of Management and quarterly by the staff team. The main risks identified relate to managing the longer term transition to a portfolio of grant and fee funded work and maintaining and developing our reputation. Specific projects and each element of our strategy have their own delivery risks that are also tracked and managed.

Policies

More details of our strategies and approach can be found on the EIRIS Foundation website at www.eirisfoundation.org. Other key policies will be made available there in due course.

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS

The Work of the Foundation

The EIRIS Foundation is a research, advice and advocacy charity that seeks to pioneer the next steps for responsible investment and sustainable finance. Our vision is a financial system that works for people and planet.

Our work focusses on the following key areas:

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS (continued)

Helping Charities adopt and shape responsible investment practices

One of our core work programmes encourages charity investors not only to align their own investments with their missions and values but also to use their influence and expertise to shape sustainable finance and responsible investment. This is one of our charitable objectives so is a core facet of our own mission. We help charities by giving them practical tools and more tailored assistance (through events and 1:1 conversations) that helps them with various steps including formulating a responsible investment policy, implementing it and using their voice to call for improvements and/or best practices.

In October 2022 we held a flagship charity responsible investment event in partnership with Friends Provident Foundation. The event 'Utilising whole endowments for mission, peer to peer learn and share' was an opportunity for charity and foundation trustees and staff to come together to discuss all aspects of responsible investment with a particular focus on practical learnings. Since that event we have held a series of short, online workshops for charities on various sustainable and responsible finance topics.

In early 2023 we launched a revamped website, www.charitysri.org.uk, for charity investors. It aims to help charities and foundations of all types and sizes invest sustainably and responsibly, using the power of their own money and influence to help create a more sustainable financial system. CharitySRI (Sustainable and Responsible Investment) provides information and resources on Sustainable and Responsible Investment and Ethical Money – what it is, reasons for doing it and how to go about it in a way that is right for each charity. It features tailored advice, case studies of charities at various stages of responsible investment, explainers on key topics in SRI and other free resources.

Advancing the 'S' in ESG

The EIRIS Foundation, as well as being one of the founding partners of CHRB, continues to co-ordinate the team of researchers who produce the assessments.

After an assessment of only core indicators alongside a deep dive into COVID-19 related performance was published in 2021, CHRB returned with a newly revised methodology that we were again involved in devising. This now allows CHRB to address more aspects of corporate human rights performance and push companies to improve even further. The impact of the methodology is strengthened by heightened demands on the authoritativeness of companies' human rights policies, and the inclusion of several new indicators with a particular focus on stakeholder engagement. New to the methodology is also a revised research timeline meant to incorporate company reporting better. Under this new approach the five sectors covered by CHRB are researched bi-annually instead of annually. With results published for the Agricultural, Automobile, and ICT sector in November 2022. The revised methodology will be applied to the Apparel and Extractive sectors during the course of the year.

Business in Conflict Areas and Human Rights Due Diligence

Our conflict initiative, the EIRIS Conflict Risk Network (CRN), seeks to empower institutional investors, financial service providers, and other engaged stakeholders by providing them with the tools needed not only to detect exposure to areas affected by conflict but also to work with companies to reduce risks relating to conflict through responsible corporate practices that support peace and stability.

EIRIS CRN supplies investors with information on corporations operating in Sudan but has also produced reports on Burma/Myanmar, held an investor webinar on the Russia and Ukraine, and brought together investors and other stakeholders to consider best practise and enhanced due diligence around active ownership in times of conflicts and in conflict-affected areas more generally.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS (continued)

Corporate lobbying on social issues

We were delighted to start a new project in 2022 scoping for the best way to expand the 'Lobby Map' approach created by Influence Map to cover social issues. After a successful initial scoping stage, the project will now continue with support from the Laudes Foundation for three years. We are now gearing up to consult stakeholders on the methodology for measuring lobbying either for or against legislation on human rights due diligence and core labour standards. The project builds upon the success of Influence Map in supporting investors and other stakeholders in examining corporate lobbying on climate action. We will also be assembling an advisory board and a methodology committee, as well as broadening the wider group of interested parties we developed during the initial research in 2022.

Racial Equity Scorecard

Racial Equity Scorecard is a pilot research project led and conducted by the EIRIS Foundation and the Social Investment Consultancy (TSIC) from January to October 2023. It is a research project under the Pathway Fund, supported by the Barrow Cadbury Trust and Carnegie. It consists of a full set of 20 metrics to assess the performance of companies in any sector in terms of advancing racial equity and five additional indicators for portfolios and asset managers.

The Racial Equity Scorecard enables asset owners to mobilise investment capital towards racial equity. It provides a framework to help charities, asset owners and managers collect data and insights on companies they invest in. It is a tool for investors to assess companies, asset managers and portfolios based on their strategies and actions taken to create wealth and inclusion for underrepresented communities. This Scorecard is unique in its mixed methods approach and is the first Racial Equity Scorecard in the UK public markets.

Nurturing the Sustainable Finance Landscape and Considering how sustainable finance can address the Big Challenges

We continue to work on a range of issues that consider the sustainable finance landscape generally and the role of sustainable finance in addressing issues such as the climate emergency and climate justice; rising inequality and need for an integrated approach to social and environmental issues. We have responded to numerous consultations on these issues and fed into responses regarding sustainable labels and standards.

We produced our widely used retail green and ethical investment market statistics once again and supported the use of these and the information available on our website.

Partnerships, networking and other public benefit

Our staff team grew towards the end of 2022, and this has allowed us to work with an even greater range of stakeholders across the sustainable finance space that spans all of our work areas. We are proud of the events and roundtables we have held and also the number of events and initiatives that we have contributed to.

All of the activities described above contribute to the charity's public benefit aims.

The ongoing operation of our various websites and the production and sharing of our various research projects continues to provide charities, individuals and other stakeholder organisations with information and resources to make their financial decisions more sustainable and to encourage the advancement of human rights, environmental improvement and a number of other specific areas of charitable advancement. Our core website, www.eirisfoundation.org, includes latest news stories about our work and more general blog posts on a variety of topics continues to help others understand the work we do and point them in the direction of further useful information and resources (produced by both us and other organisations).

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS (continued)

Future Plans

The EIRIS Foundation continues to play an important role in considering not only what the next steps for sustainable finance should be, but also how all stakeholders within the investment chain can be enabled and empowered to take and/or facilitate those steps. Our team's growth in terms of staff members will allow us to build on our portfolio of projects which sit within our work programmes. Our existing projects, in particular the social lobby map, our work with charities and our conflict-related work, have huge potential for growth but we continue to scan the horizon for new projects, particularly through our 'Next Steps' team which plays a vital role in considering and evaluating potential new areas of work both for us and for other stakeholders that we might be galvanise. The growing consensus around the need for financial solutions to some of the major challenges the world faces at the moment mean that the work of the EIRIS Foundation has never been more relevant, we look forward to being part of a rapid transition towards a just and sustainable economy.

FINANCIAL REVIEW

The charitable company and its subsidiaries had total income of £402,570 (2022 - £241,658) mostly from project work. Expenditure in the year totalled £728,208 (2022 - £472,516) resulting in net expenditure for the year before gains / (losses) on investments of £325,638 (2022 - net expenditure £230,858). There was a net loss on revaluation of the investments in Snowball and Castlefield during the year of £25,002 (2022 – net loss of £9,768). The resultant net expenditure for the year was £350,640 (2022 – net expenditure of £240,626) which was taken from reserves brought forward. There were no restricted funds carried forward at the year-end (2022 – £Nil). The total funds carried forward at the year-end were £1,490,974 (2022 - £1,841,614). More details are given in the Statement of Financial Activities on page 12.

All the assets of the charity are held for the purposes described under principal activities, apart from any restricted funds which are held for specific purposes.

Reserves policy

The Council of Management decided to invest around £1m of the current reserves in the medium term, while spending the other funds gained from the disposal of our interest in EIRIS and Vigeo Eiris over a 3-4 year period on the work of the Foundation and building up a portfolio of grant funded work. This reserves policy will be reviewed annually as part of the budgeting process.

Investment Policy

To implement our reserves policy, we have divided our assets into two parts: for the money that we are spending down over 3 to 4 years the policy is to invest in a cash and similar portfolio in a range of deposit and similar instruments with institutions that have a clear policy in relation to ethical or socially responsible investment or who are mutual building societies including a number who demonstrate particular leadership in our field.

The other part of our present assets we are considering as our growth fund, and the Council approved a detailed responsible investment policy for this fund which is available on our website. In 2021, we undertook a public request for proposals and went on to appoint two fund managers. We undertook this exercise publicly to provide a case study for other charities looking at their investments and we plan to develop some of the learnings from this process further in future.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

COUNCIL MEMBERS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Council Members (who are the directors of EIRIS Foundation for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those financial statements, the directors are required to: -

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

AUDIT ENQUIRIES

In accordance with company law, as the company's directors, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- As the directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

INDEPENDENT AUDITORS

The auditors, Messrs. Cocke, Vellacott & Hill have indicated their willingness to continue in office and will be proposed for re-appointment in accordance with the Companies Act.

Approved by the Council of Management on 24 January 2024 and signed on their behalf by:


NINA ROTH
Chair of the Council of Management

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS AND COUNCIL OF MANAGEMENT OF EIRIS FOUNDATION**

Opinion

We have audited the financial statements of Eiris Foundation (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities (including consolidated income and expenditure account), the consolidated balance sheet, the consolidated statement of cash flows and notes to the financial statements including a summary of significant accounting policies. The financial framework that has been applied in their preparation is 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".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2023, and of the group's incoming resources and application of resources 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)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Council of Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Council of Management's report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Council of Management's report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS AND TRUSTEES OF EIRIS FOUNDATION (continued)

Other matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate and proper 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 Council Members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Council of Management was not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Council Members' responsibilities statement set out on page 8 the Council of Management (who are 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 directors determine are 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

We have obtained an understanding of the company's policies and procedures through discussions with senior management and the treasurer.

We also drew on our existing understanding of the work that the company does and the sector that it operates in..

We understand that the company complies with its responsibilities through close involvement of the CEO in the day to day running of the business and regular liaison between him and the directors. Were there any litigation or claims they would come to the attention of the CEO directly.

The company also holds regular board meetings at which all such matters are discussed. Finance papers are circulated to all directors and senior management in advance of these meetings along with a detailed report by the CEO. We have reviewed these reports, and minutes of all meetings, and no irregularities were identified.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the company's ability to conduct business and where failure to comply could result in material penalties.

We have considered the disclosure requirements of the Companies Act 2006 and the Charities SORP (FRS 102) (effective 1 January 2019) as part of our finalisation processes.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS AND TRUSTEES OF EIRIS FOUNDATION (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

We discussed the possibility of fraud with senior management and whether they had any knowledge of any actual, alleged or suspected fraud. We designed our audit tests to consider controls and tested a sample of financial transactions. We considered the timing of recognition of income from members, and of grant income.

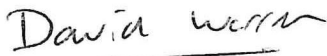
In common with all audits under ISA's (UK) we also performed specific procedures to respond to the risk of management override. We assessed the company's control environment is adequate for the size and operating model of such a company.

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

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

Use of our report

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



DAVID WARREN BA FCA (Senior statutory auditor)
For and on behalf of COCKE, VELLACOTT & HILL - Statutory Auditor
Chartered Accountants
Unit 28 City Business Centre
Lower Road
LONDON SE16 2XB

26 January 2024

EIRIS FOUNDATION**(A Company Limited by Guarantee)****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES** (Including Consolidated Income and Expenditure Account)

For the year ended 31st March 2023

	Notes	Unrestricted £	Restricted £	2023 £	2022 £
Income					
<i>Donations</i>	3 (a)	-	-	-	-
<i>Income from charitable activities</i>					
Contractual research work	3 (b)	300,960	60,250	361,210	239,704
<i>Investment income</i>					
Bank and building society interest receivable		10,602	-	10,602	1,954
<i>Other income</i>		30,758	-	30,758	-
Total income		<u>342,320</u>	<u>60,250</u>	<u>402,570</u>	<u>241,658</u>
Expenditure					
<i>Costs of raising funds</i>					
Costs of raising donations and grants	4	(67,186)	-	(67,186)	(10,458)
<i>Expenditure on charitable activities</i>					
Grants payable	5	-	-	-	-
Costs of activities - research, publications, information, provision of seminars	5	(600,772)	(60,250)	(661,022)	(462,058)
Total expenditure		<u>(667,958)</u>	<u>(60,250)</u>	<u>(728,208)</u>	<u>(472,516)</u>
Net income/ (expenditure) before gains and losses on investments		(325,638)	-	(325,638)	(230,858)
Net gains/ (losses) on investments					
Loss on revaluation of investments	12	(25,002)	-	(25,002)	(9,768)
Gain on sale of investments	12	-	-	-	-
Net income/ (expenditure) for the year	7	<u>(350,640)</u>	<u>-</u>	<u>(350,640)</u>	<u>(240,626)</u>
Net movements in funds and net income/ (expenditure) for the year		(350,640)	-	(350,640)	(240,626)
Reconciliation of Funds					
Total funds brought forward	18	<u>1,841,614</u>	<u>-</u>	<u>1,841,614</u>	<u>2,082,240</u>
Total funds carried forward	18	<u>1,490,974</u>	<u>-</u>	<u>1,490,974</u>	<u>1,841,614</u>

All the operations undertaken by the company during the current and preceding year are continuing operations.

The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

There were no restricted funds in the previous year.

The notes on pages 15 to 26 form part of these accounts.

CONSOLIDATED BALANCE SHEET
As at 31st March 2023

	Notes	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Fixed assets					
Intangible assets	10	539	12,123	-	-
Tangible assets	11	5,851	2,289	4,355	282
Investments	12	965,230	490,232	1,027,461	552,463
Total fixed assets		971,620	504,644	1,031,816	552,745
Current assets					
Debtors	14	133,778	125,388	93,593	113,590
Cash at bank and in hand		548,288	1,338,154	529,991	1,318,213
Total current assets		682,066	1,463,542	623,584	1,431,803
Liabilities					
Creditors: Amounts falling due within one year	15	(152,584)	(121,465)	(93,730)	(85,332)
Net current assets (liabilities)		529,482	1,342,077	529,854	1,346,471
Total assets less current liabilities		1,501,102	1,846,721	1,561,670	1,899,216
Provision for other liabilities	16	(10,128)	(5,107)	(10,128)	(5,107)
Net assets		1,490,974	1,841,614	1,551,542	1,894,109
The funds of the charity					
Restricted income funds	18	-	-	-	-
Unrestricted income funds	18	1,490,974	1,841,614	1,551,542	1,894,109
Total charity funds	18	1,490,974	1,841,614	1,551,542	1,894,109

The directors (trustees) have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and those prepared for circulation to members of the company.

The Financial Statements were approved by the Council of Management on 24 January 2024 and signed on their behalf by:



NINA ROTH – Chair of the Council of Management

Registered Company Number: 02460330

The notes on pages 15 to 26 form part of these accounts.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31st March 2023

	Notes	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Cash flows from operating activities					
Net income (expenditure) for the year		(350,640)	(240,626)	(342,567)	(232,101)
<i>Adjustments for:</i>					
Interest received		(10,602)	(1,954)	(10,602)	(1,954)
Amortisation of intangible assets	10	11,584	11,584	-	-
Depreciation of tangible assets	11	3,092	1,035	2,459	1,035
Net losses on investments	13	25,002	9,768	25,002	9,768
(Decrease) Increase in provision for other liabilities	16	5,021	(4,806)	5,021	(4,806)
(Increase) decrease in debtors	14	(8,390)	(85,625)	19,997	(84,774)
(Decrease) increase in creditors	15	31,119	(16,431)	8,398	(24,552)
Net cash (outflow) inflow from operating activities		(293,814)	(327,055)	(292,292)	(337,384)
Cash flow from investing activities					
Purchases of intangible assets	10	-	-	-	-
Purchase of fixed asset equipment	11	(6,654)	(2,007)	(6,532)	-
Purchases of investments	13	(500,000)	(500,000)	(500,000)	(500,000)
Interest received		10,602	1,954	10,602	1,954
Net cash provided by investing activities		(496,052)	(500,053)	(495,930)	(498,046)
Net (decrease) increase in cash and cash equivalents		(788,866)	(827,108)	(788,222)	(835,430)
Cash and cash equivalents at the beginning of the period		1,338,154	2,165,262	1,318,213	2,153,643
Cash and cash equivalents at end of period		548,288	1,338,154	529,991	1,318,213

The notes on pages 15 to 26 form part of these accounts.

NOTES TO THE ACCOUNTS

For the period to 31st March 2023

1. GENERAL INFORMATION AND LEGAL STATUS

EIRIS Foundation is a registered charity and a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. It is incorporated and domiciled in England and its registered office is The Foundry, 17 -19 Oval Way, London SE11 5RR.

The charitable company's principal activity continues to be to undertake and publish research into the social and ethical aspects of businesses in the UK and overseas and how those may be relevant to investment policies and, further, to assist other charities by providing information and advice to help them choose investments which do not conflict with their aims or otherwise hamper their work. The charitable company's subsidiaries provide investors with the research, insights, and engagement support they need to identify and influence companies that impact or operate in conflict-affected areas in order to reduce conflict risks to both people and portfolios.

2. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to the accounts. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102) and the Companies Act 2006.

The accounts consolidate the results of the charitable company and its subsidiaries, Ethical Investment Research Service (EIRIS) USA and EIRIS Conflict Risk Network (CRN) on a line-by-line basis. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. A separate Statement of Financial Activities and Income and Expenditure Account for the charitable company have not been presented because the charitable company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The directors have approved the omission of the company's individual income and expenditure account in accordance with section 414(1) from the company's annual accounts.

EIRIS Foundation meets the definition of a public benefit entity under FRS 102.

The Council of Management considers, having reviewed the charitable company's forecasts and projections, that there are no material uncertainties about its ability to continue as a going concern for the foreseeable future and have therefore adopted the going concern basis in preparing these financial statements.

(b) Income from trading activities

Income represents contracts for the provision of research and advice on responsible investment and is shown net of value added tax. Income invoiced in advance of the period is deferred to the period it relates to. (see note 15).

(c) Donations and similar income

Donations and grants receivable are accounted for in the period in which the charity becomes entitled to them and they can be measured with reasonable certainty. Income is deferred if the donor specifies conditions that the income is to be spent in a future period. Donations and grants are used in accordance with the wishes of the grantors.

Donated services are included in the statement of financial activities at the estimated value to the charity of the service or facility received, i.e., at the price the company estimates it would pay in the open market for a service of equivalent utility to the charity. An equivalent amount to that recognised as income is included as expenditure under the appropriate heading in the statement of financial activities.

2. **ACCOUNTING POLICIES** (continued)

(d) **Interest receivable**

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

(e) **Fund accounting**

Unrestricted income funds comprise those funds which the Council of Management is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Council of Management, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are used in accordance with specific restrictions imposed by the donor.

(f) **Expenditure recognition**

Expenditure is recognised once 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.

Grants payable are made to third parties in the furtherance of the charitable objectives of the charity. Grants are accounted for when the Council of Management has agreed to pay a grant without condition and the recipient has a reasonable expectation that they will receive the grant. Provisions for grants are made when the intention to make the grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of the grant.

All expenditure is accounted for on an accruals basis. Expenditure is classified under the following activity headings:

- Costs of generating funds comprise the costs associated with attracting voluntary income and investment management costs together with an apportionment of support costs.
- Charitable activities expenditure comprises those costs including grant making incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other expenditure represents those items not falling into any other heading.

(g) **Allocation of support and governance costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, finance, payroll and governance costs.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. These include the audit fees, legal fees and costs linked to the strategic management of the charity.

Support and governance costs are allocated between cost of raising funds and expenditure on charitable activities on a reasonable, justifiable and consistent basis, e.g., taking into account the number of grants awarded and staff time. The allocation of support and governance costs is analysed in note 6.

(h) **Foreign currency**

The financial statements of the charitable company are presented in Sterling (£) which is its functional currency.

Transactions in foreign currencies are translated into sterling at the exchange rate in operation on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates. All revaluation differences and foreign exchange differences are taken to the statement of financial activities.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2023

2. ACCOUNTING POLICIES (continued)

(i) Business combinations and goodwill

Acquisition of subsidiaries are accounted for using the purchase method. The cost of the business combination is the fair value of the consideration given, liabilities incurred or assumed plus the costs directly attributable to the business combination. Any excess of the cost of the business combination over the group's interest in the net fair value of the identifiable assets and liabilities acquired is recognised as goodwill.

Goodwill is amortised over its estimated useful life, which the Council of Management have deemed to be 3 years, using the straight line basis. Goodwill is assessed for impairment when there are indicators of impairment, and any impairment is charged to the income and expenditure account.

(j) Tangible Fixed Assets

Tangible fixed assets are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation has been provided on the tangible fixed assets at an annual rate of 25% on the straight-line method, except on computer equipment on which it is provided at an annual rate of 33% on the straight-line method so as to write off the assets over their estimated useful life.

(k) Fixed asset investments

Other Investments – Snowball and Castlefield funds - Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price quoted by the fund provider. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment in subsidiaries - Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

(l) Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount is reduced to its recoverable amount and an impairment loss is recognised in the profit and loss account.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount but not in excess of the amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised in the profit and loss account.

(m) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments held at call with banks and building societies.

(n) Debtors

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

(o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(p) Pensions

The company contributes to pension arrangements on behalf of its employees. Contributions payable for the year are charged in the profit and loss account when they are due. The amount of contributions recognised in the statement of financial activities as an expense is as shown in note 8.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2023

3. CONTRACTUAL RESEARCH WORK

	Unrestricted	Restricted	Total 2023	Total 2022
	£	£	£	£
CHRB Human Rights Project	222,861	-	222,863	111,657
Social Influence Map	-	60,250	60,250	-
Subsidiaries projects	78,099	-	78,099	68,672
BHHRC	-	-	-	20,000
Consultancy	-	-	-	39,375
Total	300,960	60,250	361,210	239,704

There were no restricted funds in the previous year.

The consultancy was for advisory work with Vigeo Eiris and then Moody's ESG on the use of research and on the Vigeo Eiris methodology by investors and on developments in the field.

4. COSTS OF RAISING FUNDS

	2023	2022
	£	£
Costs of raising grants and donations		
Staff costs (see note 8)	27,472	4,542
Governance costs (see note 6)	3,504	404
Support costs (see note 6)	36,210	5,512
Total	67,186	10,458

All of the costs of raising funds were from unrestricted funds in both years.

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Grants payable	Research projects	Total	2022
	£	£	£	£
Grants (see note below)	-	-	-	-
Projects and seminars	-	107,037	107,037	56,470
Staff costs (see note 8)	-	283,606	283,606	226,946
Website and IT costs	-	23,876	23,876	1,992
Subscriptions to publications and services	-	9,389	9,389	7,255
Business travel	-	10,173	10,173	-
Governance costs (see note 6)	-	63,641	63,641	33,376
Support costs (see note 6)	-	163,300	163,300	136,019
Total	-	661,022	661,022	462,058

Expenditure on charitable activities was £661,022 (2022 - £462,058) of which £60,250 (2022 - £Nil) was expenditure from restricted funds and £600,772 (2022 - £462,058) was expenditure from unrestricted funds.

No grants were paid in the year (2022 - £Nil).

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2023

6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Other support	Governance related	2023 Total	2022 Total
	£	£	£	£
Staff costs (see note 8)	94,995	39,829	134,824	81,594
Legal and professional	31,310	13,390	44,700	34,592
Audit fees	-	4,920	4,920	5,292
Committee expenses	-	480	480	395
Meeting room and office rent and service charges	21,514	2,293	23,807	11,928
Website and IT costs	12,852	2,250	15,102	14,476
Insurance	6,024	225	6,249	3,678
Bank charges	425	39	464	335
Memberships	3,002	143	3,145	2,332
Training and other staff expenses	10,896	1,462	12,358	7,566
Subscriptions to publications and services	948	129	1,077	449
Sundry expenses	4,553	300	4,853	55
Amortisation of goodwill	10,194	1,390	11,584	11,584
Depreciation	2,797	295	3,092	1,035
Total	199,510	67,145	266,655	175,311

The charitable company initially identifies the costs of its support functions. It then identifies those support costs which relate to the governance function. Governance costs and other support costs are then apportioned on the basis of time spent between the costs of raising funds and its key charitable activities undertaken (see notes 4 and 5 above) in the year.

7. NET INCOME (EXPENDITURE)

	2023	2022
	£	£
This is stated after charging the following:		
Staff costs (see note 8)	313,082	313,082
<i>Auditors' remuneration (inc. VAT)</i>		
Audit fees	4,920	5,292
Accountancy and general advice	5,040	5,280
Tax advisory services	300	300
Operating lease rentals	13,177	9,337
Depreciation	3,092	1,035

8. DIRECTORS AND EMPLOYEES

	2023	2022
	£	£
Salaries and wages	372,974	260,114
Social security costs	37,309	28,234
Pension costs	35,619	24,734
Total	445,902	313,082

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2023

8. DIRECTORS AND EMPLOYEES (continued)

The staff costs have been allocated between cost of raising funds and expenditure on charitable activities as follows:

	2023	2022
	£	£
Costs of raising funds (note 4)		
Staff costs	27,472	4,542
Governance (note 6)	2,463	546
Support costs (note 6)	5,876	1,058
Expenditure on charitable activities (note 5)		
Staff costs	283,606	226,946
Other support costs (note 6)	89,119	69,686
Governance (note 6)	37,366	10,304
	445,902	313,082
	445,902	313,082

The average number of employees during the year was:

	No.	No.
Administration	1	1
Research & Project work	9	5
	10	6
	10	6

None of the Council Members (who are also the trustees of the charity and directors of the Company) received any reimbursement for expenses or remuneration from employment or payment for professional or other services supplied to the charity during the current or preceding year.

The charity considers its key management personnel comprise the trustees and the Chief Executive Officer. The total employment benefits including employer pension contributions of the key management personnel were £81,243 (2022 - £75,090).

One employee received emoluments (excluding employer pension costs) exceeding £60,000 during the year within the band of £70,000 to £80,000 (2022 – one within the band £60,000 to £70,000).

9. CORPORATION TAX

The charitable company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2023

10. INTANGIBLE FIXED ASSETS

The group

	<u>Goodwill</u>	<u>Total</u>
	£	£
<i>Cost at 1 April 2022</i>	34,751	34,751
Additions during the year	-	-
Cost at 31 March 2023	34,751	34,751
<i>Accumulated amortisation at 1 April 2022</i>	22,628	22,628
Amortisation for the year	11,584	11,584
Amortisation at 31 March 2023	34,212	34,212
Net book amount at 31 March 2023	539	539
<i>Net book value at 31 March 2022</i>	12,123	12,123

See note 2(i) for more details of goodwill. Amortisation is included in income and expenditure for the year.

11. TANGIBLE FIXED ASSETS

	<u>Group</u>	<u>Charity</u>
	Office	Office
	<u>equipment</u>	<u>equipment</u>
	£	£
<i>Cost at April 2022</i>	5,254	3,247
Additions during the year	6,654	6,532
Cost at 31 March 2023	11,908	9,779
<i>Accumulated depreciation at 1 April 2022</i>	2,965	2,965
Charge for the year	3,092	2,459
Depreciation at 31 March 2023	6,057	5,424
Net book amount at 31 March 2023	5,851	4,355
<i>Net book value at 31 March 2022</i>	2,289	282

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2023

12. FIXED ASSET INVESTMENTS

The Group

	Other Investments	2023 Total	2022 Total
	£	£	£
At market value 1 April	490,232	490,232	-
Additions	500,000	500,000	500,000
Disposals	-	-	-
Net gain/(loss) on revaluation	(25,002)	(25,002)	(9,768)
Market value at 31 March	<u>965,230</u>	<u>965,230</u>	<u>490,232</u>

During the year EIRIS Foundation invested in Castlefield Investment Partners LLP (Castlefield) an investment management and financial planning business with a reputation for being at the forefront of ethical and sustainable investing. Last year the company invested in Snowball Impact Investments LP (Snowball) which invests all capital for social and environmental impact as well as financial returns. Both investments are carried at their fair value which is the net asset value (NAV) prevailing on the valuation date provided by investment managers.

13. FIXED ASSET INVESTMENTS

The Charity

	Other Investments	Investment in subsidiaries	2023 Total	2022 Total
	£	£	£	£
At cost at 1 April	-	62,231	62,231	62,231
At market value 1 April	490,232	-	490,232	-
Additions at cost	500,000	-	500,000	500,000
Disposals	-	-	-	-
Net gain/(loss) on revaluation	(25,002)	-	(25,002)	(9,768)
Cost at 31 March	<u> </u>	<u>62,231</u>	<u>62,231</u>	<u>62,231</u>
Market value at 31 March	<u>965,230</u>	<u> </u>	<u>965,230</u>	<u>490,232</u>
Total investments	<u>965,230</u>	<u>62,231</u>	<u>1,027,461</u>	<u>522,463</u>

During the year EIRIS Foundation invested in Castlefield Investment Partners LLP (Castlefield) an investment management and financial planning business with a reputation for being at the forefront of ethical and sustainable investing. Last year the company invested in Snowball Impact Investments LP (Snowball) which invests all capital for social and environmental impact as well as financial returns. Both investments are carried at their fair value which is the net asset value (NAV) prevailing on the valuation date provided by investment managers.

The investment in subsidiaries consists of two US companies, EIRIS Conflict Risk Network and EIRIS USA and is shown at cost.

No dividends or other distributions were received from the subsidiary companies during the current or preceding year.

See note 21 for more details of the subsidiary companies.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2023

14. DEBTORS

	Group 2023 £	<i>Group</i> <i>2022</i> £	Charity 2023 £	<i>Charity</i> <i>2022</i> £
Trade debtors	77,658	50,994	40,204	41,263
Other debtors	3,291	3,041	3,291	3,041
Prepayments and accrued income	52,829	71,353	50,098	69,286
	<u>133,778</u>	<u>125,388</u>	<u>93,593</u>	<u>113,950</u>

15. CREDITORS: Amounts falling due within one year

	Group 2023 £	<i>Group</i> <i>2022</i> £	Charity 2023 £	<i>Charity</i> <i>2022</i> £
Trade creditors	13,938	2,708	4,708	2,134
Taxation and social security costs	381	817	-	-
Other creditors	16,900	16,741	15,983	15,220
Accruals and deferred income	121,365	101,199	73,039	67,978
	<u>152,584</u>	<u>121,465</u>	<u>93,730</u>	<u>85,332</u>

Deferred income

Deferred income included above comprises income received in advance of the period of commitment.

	Group 2023 £	<i>Group</i> <i>2022</i> £	Charity 2023 £	<i>Charity</i> <i>2022</i> £
Balance as at 1 April 2022	22,698	22,984	-	-
Amount released to income from charitable activities	(22,698)	(22,984)	-	-
Amount deferred in year	44,282	22,698	-	-
	<u>44,282</u>	<u>22,698</u>	<u>-</u>	<u>-</u>
Balance as at 31 March 2023	44,282	22,698	-	-

16. PROVISION FOR OTHER LIABILITIES

The Group and Charitable Company

	Leave pay provision £
Provision at 1 April 2022	5,107
Additions	10,128
Utilised in the year	(5,107)
Provision at 31 March 2023	<u>5,107</u>

The leave pay provision represents holiday balances accrued as a result of services rendered in the reporting year and which employees are entitled to carry forward. The provision is measured as the salary cost payable at the year-end for the period of absence.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2023

17. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year other than those with the company's wholly controlled subsidiary companies. See note 21 for more details of the subsidiary companies

18. INCOME FUNDS

Analysis of Group fund movements

	Balance b/fwd £	Income/ (Gains) £	Expenditure/ (losses) £	Balance c/fwd £
Unrestricted funds				
General income fund	1,841,614	342,320	(692,960)	1,490,974
Restricted funds	-	60,250	(60,250)	-
Total funds	<u>1,841,614</u>	<u>402,570</u>	<u>(753,210)</u>	<u>1,490,974</u>

Analysis of Charity fund movements

	Balance b/fwd £	Income/ (Gains) £	Expenditure/ (losses) £	Balance c/fwd £
Unrestricted funds				
General income fund	1,894,109	264,221	(606,788)	1,551,542
Restricted funds	-	60,250	60,250	-
Total funds	<u>1,894,109</u>	<u>324,471</u>	<u>(667,038)</u>	<u>1,551,542</u>

Description of funds

The unrestricted general fund represents the 'free reserves' after allowing for all designated funds available to be spent at the discretion of the Council of Management.

The restricted funds related to grants and sponsorships given for specific purposes and which were spent on those purposes. The restricted funds received during the year were spent during the year and there were no restricted fund balances brought forward or carried forward.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2023

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Group General funds £	Group Restricted funds £	Total Group funds £	Charity General funds £	Charity Restricted funds £	Total Charity funds £
Intangible assets	539	-	539	-	-	-
Fixed assets	5,851	-	5,851	4,355	-	4,355
Fixed asset investments	965,230	-	965,230	1,027,461	-	1,027,461
Cash at bank and in hand	548,288	-	548,288	529,991	-	529,991
Other current assets	133,778	-	133,778	93,593	-	93,593
Creditors of less than one year	(152,584)	-	(152,584)	(93,730)	-	(93,730)
Provisions for liabilities	(10,128)	-	(10,128)	(10,128)	-	(10,128)
Total	1,490,974	-	1,490,974	1,551,542	-	1,551,542

20. FINANCIAL COMMITMENTS

Operating leases

The company had the following future minimum lease payments under non – cancellable operating leases for each of the following years:

	2023 £	2022 £
Payments due:		
<i>Land and buildings: -</i>		
Not later than one year	27,633	11,204
Later than one year and not later than five years	105,926	33,612
Total	133,559	44,816

With regard to the premises lease, the company can end the lease earlier than the agreed date after a written notice period of four calendar months, running from the end of the month in which notice is given and after it pays the rent charges accruing for the rent period (these amount to £11,514 (2022 - £3,359)).

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2023

21. DETAILS OF CONSOLIDATED SUBSIDIARIES

<u>Name of company</u>	<u>Country of incorporation</u>	<u>Details of investment</u>	<u>% held</u>
Ethical Investment Research Services (EIRIS) USA	USA	Membership	100%
EIRIS Conflict Risk Network	USA	Membership	100%

Ethical Investment Research Services (EIRIS) USA

The aggregate amount of capital and reserves at the year end and profit or loss for the year for EIRIS USA is as follows:

	2023	2022
	£	£
Aggregate amount of capital and reserves	<u>(1,123)</u>	<u>(2,388)</u>
Profit / (loss) for the year	<u>3,511</u>	<u>(3,057)</u>

The registered office of Ethical Investment Research Services (EIRIS) USA is Crown Colony Office Park 300 Congress Street, Suite 406, Quincy, MA 02169 USA.

EIRIS Conflict Risk Network

The aggregate amount of capital and reserves at the year end and profit or loss for the year for EIRIS Conflict Risk Network is as follows:

	2023	2022
	£	£
Aggregate amount of capital and reserves	<u>-</u>	<u>-</u>
Profit / (loss) for the year	<u>-</u>	<u>-</u>

The registered office of EIRIS Conflict Risk Network is Crown Colony Office Park 300 Congress Street, Suite 406, Quincy, MA 02169 USA.

EIRIS FOUNDATION

England & Wales - Charity number 1020068

Accounts

EIRIS FOUNDATION
(A Company Limited by Guarantee)

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31st MARCH 2022

Registered Charity Commission Reference Number: 1020068

Registered Company Number: 02460330

REPORT AND ACCOUNTS
31st March 2022

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Page	13	Consolidated Balance Sheet
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LEGAL AND ADMINISTRATIVE INFORMATION

REGISTERED COMPANY NUMBER:	02460330
CHARITY REGISTRATION NUMBER:	1020068
COUNCIL OF MANAGEMENT:	David Bent-Hazelwood (Chair) Aaron Hay Richard Howitt Rebecca Kong Camilla Parke Nina Roth Maryann Umoren Selfe Frances Way
CHIEF EXECUTIVE OFFICER:	Peter Webster
COMPANY SECRETARY:	Lisa Stonestreet
REGISTERED AND PRINCIPAL OFFICE:	The Foundry 17-19 Oval Way London SE11 5RR
AUDITORS:	Cocke, Vellacott & Hill Chartered Accountants Unit 28 City Business Centre Lower Road LONDON SE16 2XB
BANKERS:	Unity Trust Bank 9 Brindley Place 4 Oozells Square BIRMINGHAM B1 2HB
SOLICITORS:	Bates, Wells & Braithwaite 10 Queen St Place LONDON EC4R 1BE
IMPACT INVESTING ADVISERS:	Sonnet Advisory and Impact 45 Flitwick Road Amphill Bedfordshire MK45 2NS

The Council of Management presents its annual report together with the consolidated financial statement of the charitable company and its subsidiaries for the year ended 31st March 2022. The accounts comply with the Charities Act 2011, the Companies Act 2006, the requirements of the charity's governing document 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 (FRS 102) (effective 1 January 2019). This report combines the Trustees' annual report for the purposes of the Charities Act 2011 and the directors' report for the purposes of the Companies Act 2006.

The EIRIS Foundation is a company limited by guarantee without share capital. Each member's liability is limited to £1. The company is a registered charity, and its affairs are governed by its memorandum and articles of association.

OBJECTIVES AND ACTIVITIES

Objects and mission

The EIRIS Foundation's objects are to undertake and publish research into the social and ethical aspects of businesses in the UK and overseas and how those may be relevant to investment policies and to assist other charities by providing information and advice to help them choose investments which do not conflict with their aims or otherwise hamper their work.

Following a review of our goals and mission we have concluded that the best way to describe our current work and the role we want to play in future is that the EIRIS Foundation is a research, advice and advocacy charity that pioneers the next steps for sustainable finance. Our vision is a financial system that works for people and planet.

We have over 30 years' experience of providing free and objective information on sustainable finance and corporate activity to other charities and the public.

Our strengths. The EIRIS Foundation is a founder of the ethical and responsible investment movement. From our historic involvement in the creation of the first retail ethical fund in the UK to our founding and ongoing role with the Corporate Human Right's Benchmark (CHRB), our work illustrates our core strengths:

- **A pioneering spirit.** We consistently bridge the gaps in what is needed, including on difficult, under-served topics.
- **Independence.** As a charity, we can avoid conflicts of interest.
- **Catalysing coalitions.** That independence, plus a wide network of long-standing connections, mean we can bring together broad collaborations when required.
- **Supporting innovations.** We can both deploy innovations ourselves and recognize and support great innovations from others.
- **Quality of methods and outputs.** Our research findings are known for their independence and high standards.

How we generate impact. We look for activities which use our strengths to have one or more of these effects:

- **Moving the money** to more sustainable options and to finance sustainable solutions.
- **Embedding values in the investment chain**, from the saver/pension scheme member all the way to the portfolio manager.
- **Amplifying the sustainable investor voice** on company plans; leadership; and business culture.

We have the skills and experience to find solutions that bridge the gaps in today's finance system. We aim to have impact in several connected domains. Within each we build coalitions, and both generate and support innovations. The impact in each is money moved, values

embedded in investment decisions, and more pressure from sustainable voices. The cumulative effect moves us towards a finance system that works for people and planet.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

OBJECTIVES AND ACTIVITIES (continued)

Summary of policies adopted

To further these objects, the EIRIS Foundation has adopted the following policies mindful of the Charity Commission's guidance on public benefit including the guidance 'public benefit: running a charity (PB2):

- (a) We will maintain high standards of independence and rigorous analysis and focus on the public interest in our research and other work.
- (b) We acknowledge that different people and institutions will have different objectives and approaches to responsible investment and corporate responsibility. So while shared approaches can be of value in achieving impact, innovation and achieving the diverse goals of diverse investors and companies will require transparent diversity in approaches and research together with tailored advice and support.
- (c) Our approach will generally be to consult with those who may be the subject of our research (or a sample of them) and to provide companies, investors or others referred to in any publication the opportunity to provide input in advance of publication.
- (d) We will co-operate with and support other bodies with which we share objectives both in the UK and overseas in order to increase our impact.
- (e) We are not qualified or authorised to give financial advice. From time to time, we will comment on or research the more general aspects of the relationship between financial performance, business success and responsible investment or corporate responsibility but we always emphasise that this should not be taken as financial advice.
- (f) We will take appropriate advice on libel and other legal obligations and have appropriate sign off and review arrangements with one or more Council Members in the case of particularly controversial statements or publications.
- (g) Initially we envisage carrying out our work through our own staff, but we may also fund others (or share funding) to undertake work in cases where a charitable objective can be achieved more effectively in that way.
- (h) We will take appropriate financial advice on the investment of our reserves.

Grant making policy

The Council of Management will review our former grant making policy in the light of our new strategy to cover any cases where we decide to fund third parties to carry out our work or to share funding for research. All such uses of funds will be in accordance with the objectives of the charitable company.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The EIRIS Foundation is a company limited by guarantee without share capital. Each member's liability is limited to £1. The company is a registered charity, and its affairs are governed by its memorandum and articles of association.

EIRIS FOUNDATION
(A Company Limited by
Guarantee)

The governing body of the EIRIS Foundation is the Council of Management, which now meets four times a year. It receives reports from the CEO.

The Council of Management and the chief executive are the key management personnel of the charity in charge of directing and controlling the charity and the running and operation of the charity on a day to day basis.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Council Members who fulfil the roles of trustees of the charity and directors of the company were as followed during the reporting period:

David Bent-Hazelwood (Chair)
Roger Cowe (retired 31 December 2021)
Aaron Hay
Clare Hierons (retired 18 March 2022)
Richard Howitt
Rebecca Kong (appointed 1 December 2021)
Mauricio Lazala (retired 31 December 2021)
Camilla Parke
Nina Roth
Maryann Umoren Selfe
Frances Way

We have been delighted to welcome Rebecca Kong as a new Council Member in December who brings experience of impact assessment and sustainable finance more broadly and adds to the range of valuable perspectives the Council brings to help guide the next stage of our work.

At the end of 2021, Roger Cowe and Mauricio Lazala retired from the Council. Both had been directors of the Foundation's research subsidiary before the merger that created Vigeo Eiris in 2015. Roger had chaired the staffing committee of EIRIS and devoted a lot of care and attention to that role and more recently to setting up the staffing arrangements for the EIRIS Foundation as the new team took shape. Roger also brought a long-standing interest in responsible investment as a journalist and in corporate responsibility as a consultant to our Council discussions, and Mauricio brought his knowledge and experience of business and human rights to our work on the Corporate Human Rights Benchmark and our work on Conflict Risk particularly, which have become key parts of our new strategy. At the end of the reporting year Clare Hierons also retired from the Council. Clare joined the Council after the creation of Vigeo Eiris and has brought her experience of responsible investment advocacy NGOs and of fundraising and funding. Clare has made an important contribution to the work of the Council in clarifying our mission and purpose as we set out on our new path and look to raise new resources to develop that work.

We are very grateful for the time and commitment to our work of all three retiring Council Members.

New Council Members are appointed by the existing Council of Management from time to time and our Council Review committee deals with trustee recruitment. During the reporting period, there were Council sub-committees and working groups dealing with Staffing, Council Review, Investment Policy and Fundraising Support. Ad hoc groups of Council Members are formed when

needed by the full Council of Management to decide on particular issues or to approve particular grants or projects. There is also a process involving all Council Members for the approval of decisions between meetings.

Related parties

As explained in note 13, during the previous year negotiations had been concluded for the transfer of Ethical Investment Research Services (EIRIS) Limited's two US subsidiaries, EIRIS Conflict Risk Network and EIRIS USA, to the EIRIS Foundation as from 17 April 2020. See note 17 for more details. The remaining shares in Vigeo Eiris was also sold to Moody's in the previous year and Vigeo Eiris was not a related party during the reporting period.

Risk management

The Council of Management has reviewed the risks facing the charity and adopted a Risk Management Policy with a specific plan to manage the identified risks. The Risks Register will be reviewed formally at least once a year by the Council of Management and quarterly by the staff team. The main risks identified relate to managing the longer term transition to a portfolio of grant and fee funded work and maintaining and developing our reputation. Specific projects and each element of our strategy have their own delivery risks that are also tracked and managed.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Policies

More details of our strategies and approach can be found on the EIRIS Foundation website at www.eirisfoundation.org. Other key policies will be made available there in due course.

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS

The Work of the Foundation

In 2021 the Foundation continued its work as a research, advice and advocacy charity that seeks to pioneer the next steps for responsible investment and sustainable finance. This work focusses on the following areas:

Helping Charities adopt and shape responsible investment practices

Our work helping charities to use both their own investments and their influence and expertise to help drive responsible investment is an integral part of our mission. Not only is this part of our charitable objectives but we have also identified charities as a potential catalyst in the shift to a more just and sustainable financial system. We help charities by giving them practical tools and more tailored assistance (through events and 1:1 conversations) that helps them with various steps including formulating a responsible investment policy, implementing it and using their voice to call for improvements and/or best practices. We worked on producing an updated website, (charitysri.org.uk) providing charities with a free and objective resource regarding all aspects of responsible investment. We hope to expand on this in the future and create a hub of practical resources and case studies.

In 2021 we updated our own Responsible Investment Policy and then held a very successful public RfP to appoint the managers of our £1million growth portfolio. This process was held publicly and included a webinar that other charities were encouraged to attend in order to help other organisations that may also be going through this process. The procedures we followed, and the lesson learnt are now a valuable case study that we have highlighted on both our general website and our [charitysri](http://charitysri.org.uk) website.

We continued to engage with the charity investment sector and charities generally and we held a 'Good Money' charity workshop which encouraged organisations to join and ask questions about

responsible investment and ethical finance generally. We also provided feedback to the Charity Commission on their proposed revised guidance for charities on responsible investment.

Helping individuals drive the change to a more sustainable economy

Although this work strand has not been our focus in 2021 we have continued to be broadly involved in this space and in early 2022 we responded to the FCA Consultation on sustainability disclosure requirements.

We once again produced our widely used retail green and ethical investment market statistics and supported the use of these and the information available on our website. We also submitted a response to the government's proposals on sustainability fund labelling for consumers.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS (continued)

Widening the impact of corporate responsibility best practice

The EIRIS Foundation, as well as being one of the founding partners of CHRB, continues to co-ordinate the team of researchers who produce the assessments and our CEO Peter Webster, also co-chairs the Methodology Committee.

As the team responsible for the research and the quality of the results, we play an important role in the delivery of this widely used benchmark.

In the past year we have been particularly focused on working with CHRB on the revised methodology for the 2022 - 2023 benchmark, and then undertaking the first phase of the research for the 2022 benchmark in Q1 2022 in preparation for the engagement process with the companies after the reporting year.

The 2nd edition of the only Renewable Energy and Human Rights Benchmark was launched in November by the Business and Human Rights Resource Centre (BHRRC). The EIRIS Foundation was pleased to partner with the Centre in its data collection and review process of the benchmark. The Benchmark assesses 15 of the top wind and solar energy companies on internationally accepted human rights standards.

Business in Conflict Areas and Human Rights Due Diligence

Our conflict initiative, the EIRIS Conflict Risk Network (CRN), grew in 2021 with the hire of an additional researcher. EIRIS CRN expanded its focus to Burma/Myanmar which included research on the region and a successful webinar for investors considering how they should be responding to this conflict. EIRIS CRN also coordinated a statement supported by investors calling for the full restoration of the democratic transition in Sudan with respect for the rule of law, accountable governance and civic freedoms following the October coup and subsequent agreement between the ousted prime minister and the military.

Focussing on the ‘S’ in ESG

In 2021 we coordinated a joint statement with 5 other leading social justice organisations on the EU Social Taxonomy. The statement urges investors to treat social and environmental considerations equally and strongly supports the EU in developing a social taxonomy based on global social and human rights norms and the impact of both products and practices on affected stakeholder groups.

Partnerships, networking and other public benefit

Our small but dedicated staff team works with a wide range of stakeholders within all of our work areas and the sphere of responsible and sustainable finance and business generally. We have held, been present at and/or been actively involved in a wide range of events and meetings, both charity-specific, responsible investment-specific and otherwise. The Foundation has continued to work with others and provide input to a variety of projects and initiatives that support or advance our work.

All of the activities described above contribute to the charity’s public benefit aims.

The ongoing operation our various websites and the production and sharing of our various research projects continues to provide charities, individuals and other stakeholder organisations with information and resources to make their financial decisions more sustainable and to encourage the advancement of human rights, environmental improvement and a number of other specific areas of charitable advancement. Our core website, www.eirisfoundation.org, which includes latest news stories about our work and more general blog posts on a variety of topics continues to help others understand the work we do and point them in the direction of further useful information and resources (produced by both us and other organisations).

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS (continued)

Future Plans

The EIRIS Foundation is evolving and growing. We hope to hire additional staff in the coming year and expand our work particularly on conflict, charities, the ‘S’ in ESG and with regards to the ‘next steps’ for sustainable finance. We are excited about how this work will take shape and positively impact on the growing sustainable investment and finance space.

FINANCIAL REVIEW

The charitable company and its subsidiaries had total income of £241,658 (2021 - £468,973) mostly from project work. Expenditure in the year totalled £472,516 (2021 - £582,029) resulting in net expenditure for the year before gains / (losses) on investments of £230,858 (2021 - net expenditure £113,056). There was a net loss on revaluation of the investments in Snowball during the year of £9,768. The remainder of the investment in Vigeo Eiris at the beginning of the previous year was sold during that year. The resultant net expenditure for the year was £240,626 (2021 - £102,331) which was taken from reserves brought forward. There were no restricted funds carried forward at the year-end (2021 - £Nil). The total funds carried forward at the year-end were £1,841,614 (2021 - £2,082,240). More details are given in the Statement of Financial Activities on page 12.

All the assets of the charity are held for the purposes described under principal activities, apart from any restricted funds which are held for specific purposes.

Reserves policy

The Council of Management has agreed to maintain half of the current reserve in the longer term, while planning to spend the other half over a 3-4 year period on the work of the Foundation and building up a portfolio of grant funded work. This reserves policy will be reviewed annually as part of the budgeting process.

Investment Policy

To implement our reserves policy, we have divided our assets into two roughly equal parts: for the money that we plan to spend down over 3 to 4 years the policy is to invest in a cash and similar portfolio in a range of deposit and similar instruments with institutions that have a clear policy in relation to ethical or socially responsible investment or who are mutual building societies including a number who demonstrate particular leadership in our field.

The other half of our present assets we are considering as our growth fund, and the Council approved a detailed responsible investment policy for this fund which is available on our website. During the reporting period, we undertook a public request for proposals and appointed two fund managers. We undertook this exercise publicly to provide a case study for other charities looking at their investments and we plan to develop some of the learnings from this process further in future.

The investment on the balance sheet in Vigeo Eiris at the start of the last reporting period was regarded by the Council of Management as a mixed motive investment. As well as continuing and strengthening the work previously carried out directly by the Foundation's research subsidiary, Vigeo Eiris has also provided access to its research to assist the Foundation's work, and, until December 2020, office space and other facilities for the Foundation's staff. The investment was disposed of during the previous year with the completion of the sale of Vigeo Eiris to Moody's.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

COUNCIL MEMBERS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Council Members (who are the directors of EIRIS Foundation for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those financial statements, the directors are required to: -

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to

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(A Company Limited by Guarantee)

ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

AUDIT ENQUIRIES

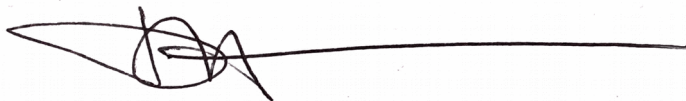
In accordance with company law, as the company's directors, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- As the directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

INDEPENDENT AUDITORS

The auditors, Messrs. Cocke, Vellacott & Hill have indicated their willingness to continue in office and will be proposed for re-appointment in accordance with the Companies Act.

Approved by the Council of Management on 20 October 2022 and signed on their behalf by:



DAVID BENT-HAZELWOOD
Chair of the Council of Management

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS AND COUNCIL OF MANAGEMENT OF EIRIS FOUNDATION**

Opinion

We have audited the financial statements of Eiris Foundation (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities (including consolidated income and expenditure account), the consolidated balance sheet, the consolidated statement of cash flows and notes to the financial statements including a summary of significant accounting policies. The financial framework that has been applied in their preparation is 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".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2022, and of the group's incoming resources and application of resources 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)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Council of Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Council of Management's report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Council of Management's report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS AND TRUSTEES OF EIRIS FOUNDATION (continued)

Other matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate and proper 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 Council Members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Council of Management was not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Council Members' responsibilities statement set out on page 8 the Council of Management (who are 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 directors determine are 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

We have obtained an understanding of the company's policies and procedures through discussions with senior management and the treasurer.

We also drew on our existing understanding of the work that the company does and the sector that it operates in..

We understand that the company complies with its responsibilities through close involvement of the CEO in the day to day running of the business and regular liaison between him and the directors. Were there any litigation or claims they would come to the attention of the CEO directly.

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(A Company Limited by
Guarantee)

The company also holds regular board meetings at which all such matters are discussed. Finance papers are circulated to all directors and senior management in advance of these meetings along with a detailed report by the CEO. We have reviewed these reports, and minutes of all meetings, and no irregularities were identified.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the company's ability to conduct business and where failure to comply could result in material penalties.

We have considered the disclosure requirements of the Companies Act 2006 and the Charities SORP (FRS 102) (effective 1 January 2019) as part of our finalisation processes.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS AND TRUSTEES OF EIRIS FOUNDATION (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

We discussed the possibility of fraud with senior management and whether they had any knowledge of any actual, alleged or suspected fraud. We designed our audit tests to consider controls and tested a sample of financial transactions. We considered the timing of recognition of income from members, and of grant income.

In common with all audits under ISA's (UK) we also performed specific procedures to respond to the risk of management override. We assessed the company's control environment is adequate for the size and operating model of such a company.

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

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

Use of our report

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

DAVID WARREN BA FCA (Senior statutory auditor)
For and on behalf of COCKE, VELLACOTT & HILL - Statutory Auditor
Chartered Accountants
Unit 28 City Business Centre
Lower Road
LONDON SE16 2XB

December 2022

EIRIS FOUNDATION**(A Company Limited by
Guarantee)****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES** (Including Consolidated Income and
Expenditure Account)
For the year ended 31st March 2022

	Notes	Unrestricted £	Restricted £	2022 £	2021 £
Income					
<i>Donations</i>	3 (a)	-	-	-	34,322
<i>Income from charitable activities</i>					
Contractual research work	3 (b)	239,704	-	239,704	426,631
<i>Investment income</i>					
Bank and building society interest receivable		1,954	-	1,954	8,020
<i>Other income</i>		-	-	-	-
Total income		241,658	-	241,658	468,973
Expenditure					
<i>Costs of raising funds</i>					
Costs of raising donations and grants	4	(10,458)	-	(10,458)	(7,412)
<i>Expenditure on charitable activities</i>					
Grants payable	5	-	-	-	(15,000)
Costs of activities - research, publications, information, provision of seminars	5 (559,617)	(462,058)	-	(462,058)	
Total expenditure	(582,029)	(472,516)	-	(472,516)	
Net income/ (expenditure) before gains and losses on investments		(230,858)			
	-	(230,858)		(113,056)	
Net gains/ (losses) on investments					
Loss on revaluation of investments	12	(9,768)	-	(9,768)	
Gain on sale of investments	12	-	-	-	10,725
Net income/ (expenditure) for the year	7	(240,626)			
	-		(240,626)		(102,331)
Net movements in funds and net income/ (expenditure) for the year	(102,331)	(240,626)	-	(240,626)	
Reconciliation of Funds					
Total funds brought forward	18 2,184,571	2,082,240	-	2,082,240	
Total funds carried forward	18 2,082,240	1,841,614	-	1,841,614	

All the operations undertaken by the company during the current and preceding year are continuing operations.

The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 15 to 26 form part of these accounts.

EIRIS FOUNDATION**(A Company Limited by
Guarantee)****CONSOLIDATED BALANCE SHEET**

As at 31st March 2022

	Notes	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Fixed assets					
Intangible assets	10	12,123	23,707	-	-
Tangible assets	11	2,289	1,317	282	1,317
Investments	12	490,232			
		-	552,463	62,231	
Total fixed assets		504,644			
	25,024	552,745			
	63,548				
Current assets					
Debtors	14	125,388			
		39,763			
		113,590			
		28,816			
Cash at bank and in hand		1,338,154			
		2,165,262			
	1,318,213		2,153,643		
Total current assets		1,463,542	2,205,025		
		1,431,803	2,182,459		
Liabilities					
Creditors: Amounts falling due within one year	15	(121,465)			
		(137,896)			
		(109,884)			
Net current assets (liabilities)		1,342,077		2,067,129	
1,346,471	2,072,575				
Total assets less current liabilities		1,846,721		2,092,153	
1,899,216	2,136,123				
Provision for other liabilities	16	(5,107)			
		(9,913)			
		(9,913)			
Net assets		1,841,614			
2,082,240	1,894,109	2,126,210			
The funds of the charity					
Restricted income funds	18	-	-	-	-
Unrestricted income funds	18	1,841,614			
		2,082,240			
		1,894,109			
		2,126,210			
Total charity funds	18	1,841,614			
2,082,240		1,894,109	2,126,210		

The directors (trustees) have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and those prepared for circulation to members of the company.

The Financial Statements were approved by the Council of Management on 20 October 2022 and signed on their behalf by:



DAVID BENT-HAZELWOOD - Chair of the Council of Management

Registered Company Number: 02460330

The notes on pages 15 to 26 form part of these accounts.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31st March 2022

	Notes	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Cash flows from operating activities					
Net income (expenditure) for the year		(240,626)	(102,331)		
		(58,361)			
<i>Adjustments for:</i>					
Interest received		(1,954)		(8,020)	(1,954)
					(8,020)
Amortisation of intangible assets	10	11,584			
	11,044	-			-
Depreciation of tangible assets	11	1,035			
	988	1,035		988	
Profit on disposal of fixed asset investments	12	-	(10,725)		
		(10,725)			
Net losses on investments	13	9,768			
		9,768			
(Decrease) Increase in provision for other liabilities		16	(4,806)	5,818	(4,806)
					5,818
(Increase) decrease in debtors	14				(85,625)
		(84,774)		139,509	
(Decrease) increase in creditors	15	(16,431)		(48,279)	
					(20,267)
					(24,552)
Net cash (outflow) inflow from operating activities			(327,055)		
		5,069	20,930		
		(337,384)			
Cash flow from investing activities					
Purchases of intangible assets	10	-	(34,751)		
		-			
Purchase of fixed asset equipment	11	(2,007)			
		-	(845)		
Purchase of subsidiaries	13	-			(62,231)
Purchases of investments	13	(500,000)			
		(500,000)			
Proceeds from disposal of fixed asset investment	12	-		435,955	

EIRIS FOUNDATION
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	435,955				
Interest received	8,020	1,954	8,020	1,954	
Net cash provided by investing activities	(498,046)	380,899	(500,053)	408,379	
Net (decrease) increase in cash and cash equivalents	(835,430)	401,829	(827,108)	413,448	
Cash and cash equivalents at the beginning of the period	2,153,643	1,751,814	2,165,262	1,751,814	
Cash and cash equivalents at end of period	1,318,213	2,153,643	1,338,154	2,165,262	

The notes on pages 15 to 26 form part of these accounts.

NOTES TO THE ACCOUNTS

For the period to 31st March 2022

1. GENERAL INFORMATION AND LEGAL STATUS

EIRIS Foundation is a registered charity and a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. It is incorporated and domiciled in England and its registered office is The Foundry, 17 -19 Oval Way, London SE11 5RR.

The charitable company's principal activity continues to be to undertake and publish research into the social and ethical aspects of businesses in the UK and overseas and how those may be relevant to investment policies and, further, to assist other charities by providing information and advice to help them choose investments which do not conflict with their aims or otherwise hamper their work. The charitable company's subsidiaries provide investors with the research, insights, and engagement support they need to identify and influence companies that impact or operate in conflict-affected areas in order to reduce conflict risks to both people and portfolios.

2. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to the accounts. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102) and the Companies Act 2006.

The accounts consolidate the results of the charitable company and its subsidiaries, Ethical Investment Research Service (EIRIS) USA and EIRIS Conflict Risk Network (CRN) on a line-by-line basis. The results of subsidiaries acquired last year are included in the statement of financial activities from the effective date of acquisition using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. A separate Statement of Financial Activities and Income and Expenditure Account for the charitable company have not been presented because the charitable company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The directors have approved the omission of the company's individual income and expenditure account in accordance with section 414(1) from the company's annual accounts.

EIRIS Foundation meets the definition of a public benefit entity under FRS 102.

The Council of Management considers, having reviewed the charitable company's forecasts and projections, that there are no material uncertainties about its ability to continue as a going concern for the foreseeable future and have therefore adopted the going concern basis in preparing these financial statements.

(b) Income from trading activities

Income represents contracts for the provision of research and advice on responsible investment and is shown net of value added tax. Income invoiced in advance of the period is deferred to the period it relates to. (see note 15).

(c) Donations and similar income

Donations and grants receivable are accounted for in the period in which the charity becomes entitled to them and they can be measured with reasonable certainty. Income is deferred if the donor specifies conditions that the income is to be spent in a future period.

Donations and grants are used in accordance with the wishes of the grantors.

Donated services are included in the statement of financial activities at the estimated value to the charity of the service or facility received, i.e., at the price the company estimates it would pay in the open market for a service of equivalent utility to the charity. An equivalent amount to that recognised as income is included as expenditure under the appropriate heading in the statement of financial activities.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2022

2. ACCOUNTING POLICIES (continued)

(d) Interest receivable

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

(e) Fund accounting

Unrestricted income funds comprise those funds which the Council of Management is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Council of Management, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are used in accordance with specific restrictions imposed by the donor.

(f) Expenditure recognition

Expenditure is recognised once 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.

Grants payable are made to third parties in the furtherance of the charitable objectives of the charity. Grants are accounted for when the Council of Management has agreed to pay a grant without condition and the recipient has a reasonable expectation that they will receive the grant. Provisions for grants are made when the intention to make the grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of the grant.

All expenditure is accounted for on an accruals basis. Expenditure is classified under the following activity headings:

- Costs of generating funds comprise the costs associated with attracting voluntary income and investment management costs together with an apportionment of support costs.
- Charitable activities expenditure comprises those costs including grant making incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other expenditure represents those items not falling into any other heading.

(g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, finance, payroll and governance costs.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. These include the audit fees, legal fees and costs linked to the strategic management of the charity.

Support and governance costs are allocated between cost of raising funds and expenditure

on charitable activities on a reasonable, justifiable and consistent basis, e.g., taking into account the number of grants awarded and staff time. The allocation of support and governance costs is analysed in note 6.

(h) Foreign currency

The financial statements of the charitable company are presented in Sterling (£) which is its functional currency.

Transactions in foreign currencies are translated into sterling at the exchange rate in operation on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates. All revaluation differences and foreign exchange differences are taken to the statement of financial activities.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2022

2. ACCOUNTING POLICIES (continued)

(i) Business combinations and goodwill

Acquisition of subsidiaries are accounted for using the purchase method. The cost of the business combination is the fair value of the consideration given, liabilities incurred or assumed plus the costs directly attributable to the business combination. Any excess of the cost of the business combination over the group's interest in the net fair value of the identifiable assets and liabilities acquired is recognised as goodwill.

Goodwill is amortised over its estimated useful life, which the Council of Management have deemed to be 3 years, using the straight line basis. Goodwill is assessed for impairment when there are indicators of impairment, and any impairment is charged to the income and expenditure account.

(j) Tangible Fixed Assets

Tangible fixed assets are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation has been provided on the tangible fixed assets at an annual rate of 25% on the straight-line method, except on computer equipment on which it is provided at an annual rate of 33% on the straight-line method so as to write off the assets over their estimated useful life.

(k) Fixed asset investments

Other Investments – Snowball funds - Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price quoted by the fund provider. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Investment in subsidiaries - Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

(l) Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount is reduced to its recoverable amount and an impairment loss is recognised in the profit and loss account.

EIRIS FOUNDATION

(A Company Limited by
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If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount but not in excess of the amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised in the profit and loss account.

(m) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments held at call with banks and building societies.

(n) Debtors

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

(o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(p) Pensions

The company contributes to pension arrangements on behalf of its employees. Contributions payable for the year are charged in the profit and loss account when they are due. The amount of contributions recognised in the statement of financial activities as an expense is as shown in note 8.

NOTES TO THE ACCOUNTS (continued)

For the year ended 31st March 2022

3. (a) INCOME FROM DONATIONS

	2022	2021
	£	£
Sponsorship of Pooled Fund Report 7,500	-	-
Donated services 26,822	-	-
Total	<u>-</u>	<u>34,322</u>

More details of the various grants which are restricted are given in note 18. The charitable company is grateful to Vigeo Eiris for providing office space and services relating to accounting, HR and IT up to 31 December 2020. The value of these to the charitable company was estimated to be £Nil (2021 - £26,822) and recognised in these financial statements as a donation with an equivalent charge included in costs within meeting room and office rent and legal and professional.

(b) CONTRACTUAL RESEARCH WORK

Included in the unrestricted income from contractual research work of £239,704 (2021 - £426,631) is £111,657 (2021 - £303,367) from CHRB, £20,000 (2021 - £Nil) from BHRRC, £68,672 (2021 - £74,265) from the subsidiaries and an amount of £39,375 (2021 - £49,000) for advisory work with Vigeo Eiris on the use of research and the Vigeo Eiris methodology by investors and on developments in the field.

4. COSTS OF RAISING FUNDS

	2022	2021
	£	£
Costs of raising grants and donations		

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Shared staff costs (see note 8)		4,542	
	3,775		
Governance costs (see note 6)		404	311
Support costs (see note 6)		5,512	
	3,326		
Total		10,458	7,412

All of the costs of raising funds were from unrestricted funds in both years.

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Grants payable £	Research projects £	Total £	2021 £
Grants (see note below)		-	-	15,000
Projects and seminars		56,470	56,470	
	151,817			
Staff costs (see note 8)		194,685	194,685	
	199,875			
Shared staff costs (see note 8)		32,261	32,261	
	53,020			
Website and IT costs		1,992	1,992	
	3,631			
Subscriptions to publications and services		7,255	7,255	
Governance costs (see note 6)		33,376	33,376	
	32,568			
Support costs (see note 6)		136,019	136,019	
	118,706			
Total		462,058	462,058	574,617

Expenditure on charitable activities was £462,058 (2021 - £559,617) of which £Nil (2021 - £22,500) was expenditure from restricted funds and £462,058 (2021 - £552,117) was expenditure from unrestricted funds.

No grants were made in the year under review to Corporate Human Rights Benchmark (CHRB) (2021 - two for a total of £15,000) for support of their charitable work.

NOTES TO THE ACCOUNTS (continued)

For the year ended 31st March 2022

6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Other support £	Governance related £	2022 Total £	2021 Total £
Staff costs (see note 8)	70,744	10,850		
81,594	68,256			
Legal and professional	25,006	9,586		
34,592	36,088			
Audit fees	-	5,292		
5,292	5,000			
Committee expenses	-	395	395	-
Meeting room and office rent and service charges	10,377	1,551		
11,928		15,572		
Website and IT costs	12,047	2,429		
14,476	2,623			

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Guarantee)**

Insurance 5,349	3,465	213	3,678	
Bank charges	268	67	335	461
Memberships 6,495	2,189	143	2,332	
Training and other staff expenses 822		6,744		
	7,566	598		
Subscriptions to publications and services	391	58	449	33
Sundry expenses	48	7	55	2,404
Amortisation of goodwill 11,584	9,352	2,232		
	11,044			
Depreciation 988	900	135	1,035	
Total	141,531			
33,780	175,311	154,911		

The charitable company initially identifies the costs of its support functions. It then identifies those support costs which relate to the governance function. Governance costs and other support costs are then apportioned on the basis of time spent between the costs of raising funds and its key charitable activities undertaken (see notes 4 and 5 above) in the year.

7. NET INCOME (EXPENDITURE)

	2022	2021
	£	£
This is stated after charging the following:		
Staff costs (see note 8) 324,926	313,082	
<i>Auditors' remuneration</i>		
Audit fees	5,292	5,000
Accountancy and general advice	3,200	3,100
Tax advisory services	300	300
Operating lease rentals	9,337	-
Depreciation	1,035	988

8. DIRECTORS AND EMPLOYEES

	2022	2021
	£	£
Salaries and wages	260,114	
264,909		
Social security costs	28,234	
35,395		
24,622		
Pension costs		24,734
	313,082	
324,926		

NOTES TO THE ACCOUNTS (continued)

For the year ended 31st March 2022

8. DIRECTORS AND EMPLOYEES (continued)

The staff costs have been allocated between cost of raising funds and expenditure on charitable activities as follows:

	2022 £	2021 £
Costs of raising funds (note 4)		
Shared staff costs	4,542	
3,775		
Governance (note 6)	546	115
Expenditure on charitable activities (note 5)		
Staff costs	194,685	
199,875		
Other support costs (note 6)	70,744	
59,383		
Shared staff costs	32,261	
53,020		
Governance (note 6)		10,304
8,758		
324,926	313,082	

The average number of employees during the year was:

	No.	No.
Administration	1	1
Research & Project work	5	6
	6	7

None of the Council Members (who are also the trustees of the charity and directors of the Company) received any reimbursement for expenses or remuneration from employment or payment for professional or other services supplied to the charity during the current or preceding year.

The charity considers its key management personnel comprise the trustees and the Chief Executive Officer. The total employment benefits including employer pension contributions of the key management personnel were £75,090 (2021 - £72,270).

One employee received emoluments (excluding employer pension costs) exceeding £60,000 during the year within the band of £60,000 to £70,000 (2021 - one).

9. CORPORATION TAX

The charitable company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2022

10. INTANGIBLE FIXED ASSETS

The group

	<u>Goodwill</u> £	<u>Total</u> £
<i>Cost at 1 April 2021</i>	34,751	34,751
Additions during the year	-	-
Cost at 31 March 2022	<u>34,751</u>	<u>34,751</u>
<i>Accumulated amortisation at 1 April 2021</i>	11,044	11,044
Amortisation for the year	11,584	11,584
Amortisation at 31 March 2022	<u>22,628</u>	<u>22,628</u>
Net book amount at 31 March 2022	<u>12,123</u>	<u>12,123</u>
<i>Net book value at 31 March 2021</i>	<u>23,707</u>	

See note 2(i) for more details of goodwill. Amortisation is included in income and expenditure for the year.

11. TANGIBLE FIXED ASSETS

	<u>Group</u> Office equipment £	<u>Charity</u> Office equipment £
<i>Cost at April 2021</i>	3,247	3,247
Additions during the year	2,007	-
Cost at 31 March 2022	<u>5,254</u>	<u>3,247</u>
<i>Accumulated depreciation at 1 April 2021</i>	1,930	1,930
Charge for the year	1,035	1,035
Depreciation at 31 March 2022	<u>2,965</u>	<u>2,965</u>
Net book amount at 31 March 2022	<u>2,289</u>	<u>282</u>
<i>Net book value at 31 March 2021</i>	<u>1,317</u>	

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2022

12. FIXED ASSET INVESTMENTS

The Group

	Other Investments	2022 Total	<i>2021 Total</i>
	£	£	£
At cost at 1 April	-	-	425,230
At market value 1 April	-	-	-
Additions	500,000	500,000	-
Disposals	-	-	(425,230)
Net gain/(loss) on revaluation	(9,768)	(9,768)	-
Cost at 31 March			-
Market value at 31 March	490,232		
490,232	-		

During the year EIRIS Foundation invested in Snowball Impact Investments LP which invests all capital for social and environmental impact as well as financial returns. This investment is carried at its fair value which is the net asset value (NAV) provided by Snowball.

In the last reporting period, the remaining shares in Vigeo Eiris were sold to Moody's (who became the sole shareholder in Vigeo Eiris). No dividends or other distributions were received from Vigeo Eiris during last year.

13. FIXED ASSET INVESTMENTS

The Charity

	Other Investment in Investments subsidiaries	2022 Total	<i>2021 Total</i>
	£	£	£
At cost at 1 April	-	62,231	425,230
At market value 1 April	-	-	-
Additions at cost	500,000	500,000	62,231
Disposals	-	-	(425,230)
Net gain/(loss) on revaluation	(9,768)	(9,768)	-
Cost at 31 March		62,231	
62,231	62,231		
Market value at 31 March	490,232	490,232	
-			
Total investments	490,232	62,231	
552,463	62,231		

During the year EIRIS Foundation invested in Snowball Impact Investments LP (Snowball) which invests all capital for social and environmental impact as well as financial returns. This investment is carried at its fair value which is the net asset value (NAV) provided by Snowball.

At the beginning of last year Ethical Investment Research Services (EIRIS) Limited's two US subsidiaries, EIRIS Conflict Risk Network and EIRIS USA were transferred to the EIRIS Foundation with effect from 17 April 2020. Including the effect of making refunds for some items and

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writing off some balances, EIRIS Foundation made a net payment of £62,231 to Ethical Investment Research Services (EIRIS) Limited for the transfer.

In the last reporting period, the remaining shares in Vigeo were sold to Moody's (who became the majority shareholder in Vigeo Eiris). No dividends or other distributions were received from Vigeo Eiris during last year.

See note 21 for more details of the subsidiary companies.

NOTES TO THE ACCOUNTS (continued)

For the year ended 31st March 2022

14. DEBTORS

		Group 2022	<i>Group 2021</i>	Charity 2022	<i>Charity 2021</i>
		£	£	£	£
Trade debtors		50,994			
		16,476	41,263	6,830	
Other debtors		3,041			
		3,352	3,041	2,051	
Prepayments and accrued income		71,353			
	19,935	69,286			
	19,935				
		125,388	39,763		
		113,950		28,816	

15. CREDITORS: Amounts falling due within one year

		Group 2022	<i>Group 2021</i>	Charity 2022	<i>Charity 2021</i>
		£	£	£	£
Trade creditors		2,708	80,512		
	2,134	80,152			
Taxation and social security costs			817	1,044	-
-					
Other creditors		16,741	637	15,220	
	637				
Accruals and deferred income		101,199	55,703		
	67,978	29,095			
		121,465	137,896		
	85,332	109,884			

Deferred income

Deferred income included above comprises income received in advance of the period of commitment.

		Group 2022	<i>Group 2021</i>	Charity 2022	<i>Charity 2021</i>
		£	£	£	£
Balance as at 1 April 2021		22,984	7,997		
-		-			
Amount released to income from charitable activities			(22,984)	(7,997)	
-		-			
Amount deferred in year		22,698	22,984		
-		-			

EIRIS FOUNDATION**(A Company Limited by
Guarantee)**Balance as at 31 March 2022 **22,698** 22,984

-

16. PROVISION FOR OTHER LIABILITIES**The Group and Charitable Company**

	Leave pay provision £
Provision at 1 April 2021	9,913
Additions	5,107
Utilised in the year (9,913)	
Provision at 31 March 2022	5,107

The leave pay provision represents holiday balances accrued as a result of services rendered in the reporting year and which employees are entitled to carry forward. The provision is measured as the salary cost payable at the year-end for the period of absence.

NOTES TO THE ACCOUNTS (continued)

For the year ended 31st March 2022

17. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year other than those with the company's wholly controlled subsidiary companies. See note 20 for more details of the subsidiary companies

18. INCOME FUNDS**Analysis of Group fund movements**

	Balance b/fwd £	Income/Expenditure/ (Gains) £	(losses) £	Balance c/fwd £
Unrestricted funds				
General income fund	2,082,240	241,658	(482,284)	
1,841,614				
Restricted funds				
-		-	-	-
Total funds	2,082,240	241,658	(482,284)	
1,841,614				

Analysis of Charity fund movements

	Balance b/fwd £	Income/Expenditure/ (Gains) £	(losses) £	Balance c/fwd £
Unrestricted funds				
General income fund	2,126,210	172,985	(405,086)	
1,894,109				
Restricted funds				
-		-	-	-

	-			
Total funds	2,126,210	172,985	(405,086)	
1,894,109				

Description of funds

The unrestricted general fund represents the 'free reserves' after allowing for all designated funds available to be spent at the discretion of the Council of Management.

The restricted funds related to grants and sponsorships given for specific purposes and which were spent on those purposes. There was no restricted fund income in the year nor were any restricted fund balances brought forward or carried forward.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2022

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Group General funds £	Group Restricted funds £	Total Group funds £	Charity General funds £	Charity Restricted funds £	Total Charity funds £
Intangible assets	12,123	-	12,123	-	-	-
Fixed assets	2,289	-	2,289	282	-	282
Fixed asset investments	490,232	-	490,232	552,462	-	552,462
Cash at bank and in hand	1,338,154	-	1,338,154	1,318,214	-	-
	1,318,214					
Other current assets	125,388	-	125,388	113,590	-	113,590
Creditors of less than one year	(121,465)	-	(121,465)	(85,332)	-	-
	(85,332)					
Provisions for liabilities	(5,107)	-	(5,107)	(5,107)	-	(5,107)
Total	1,841,614	-	1,841,614	1,894,109	-	-
1,894,109						

3. FINANCIAL COMMITMENTS

Operating leases

The company had the following future minimum lease payments under non - cancellable operating leases for each of the following years:

	2022	2021
Payments due:	£	£

Land and buildings: -

EIRIS FOUNDATION**(A Company Limited by
Guarantee)**

Not later than one year	11,204	-
Later than one year and not later than five years		33,612
Total	44,816	-

With regard to the premises lease, the company can end the lease earlier than the agreed date after a written notice period of 3 calendar months and after it pays the rent charges accruing for the rent period (these amount to £3,359).

NOTES TO THE ACCOUNTS (continued)For the year ended 31st March 2022

20.DETAILS OF CONSOLIDATED SUBSIDIARIES

<u>Name of company held</u>	Country of	<u>Details of incorporation</u>	<u>% investment</u>
Ethical Investment Research Services (EIRIS) USA	USA	Membership	100%
EIRIS Conflict Risk Network	USA	Membership	100%

Ethical Investment Research Services (EIRIS) USA

The aggregate amount of capital and reserves at the year end and profit or loss for the year for EIRIS USA is as follows:

	2022	2021
	£	£
Aggregate amount of capital and reserves	(2,388)	(5,364)
Profit / (loss) for the year	3,057	(4,746)

The registered office of Ethical Investment Research Services (EIRIS) USA is Crown Colony Office Park 300 Congress Street, Suite 406, Quincy, MA 02169 USA.

EIRIS Conflict Risk Network

The aggregate amount of capital and reserves at the year end and profit or loss for the year for EIRIS Conflict Risk Network is as follows:

EIRIS FOUNDATION**(A Company Limited by
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	2022	2021
	£	£
Aggregate amount of capital and reserves	-	(81)
Profit / (loss) for the year	-	(28,179)

The registered office of EIRIS Conflict Risk Network is Crown Colony Office Park 300 Congress Street, Suite 406, Quincy, MA 02169 USA.

EIRIS FOUNDATION

England & Wales - Charity number 1020068

Accounts

EIRIS FOUNDATION
(A Company Limited by Guarantee)

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31st MARCH 2021

Registered Charity Commission Reference Number: 1020068

Registered Company Number: 02460330

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Pages	10 - 12	Independent Auditors' Report
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Page	14	Consolidated Balance Sheet
Page	15	Consolidated Statement of cash flows
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EIRIS FOUNDATION
(A Company Limited by Guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

REGISTERED COMPANY NUMBER: 02460330

CHARITY REGISTRATION NUMBER: 1020068

COUNCIL OF MANAGEMENT: David Bent-Hazelwood (Chair)
Aaron Hay
Richard Howitt
Clare Hierons
Camilla Parke
Nina Roth
Maryann Umoren Selfe
Frances Way

CHIEF EXECUTIVE OFFICER: Peter Webster

COMPANY SECRETARY: Lisa Stonestreet

REGISTERED AND PRINCIPAL OFFICE: The Foundry
17-19 Oval Way
London
SE11 5RR

AUDITORS: Cocke, Vellacott & Hill
Chartered Accountants
Unit 28 City Business Centre
Lower Road
LONDON SE16 2XB

BANKERS: Unity Trust Bank
9 Brindley Place
4 Oozells Square
BIRMINGHAM B1 2HB

SOLICITORS: Bates, Wells & Braithwaite
10 Queen St Place
LONDON
EC4R 1BE

REPORT OF THE COUNCIL OF MANAGEMENT
For the year ended 31 March 2021

The Council of Management presents its annual report together with the consolidated financial statement of the charitable company and its subsidiaries for the year ended 31st March 2021. The accounts comply with the Charities Act 2011, the Companies Act 2006, the requirements of the charity's governing document 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 (FRS 102) (effective 1 January 2019). This report combines the Trustees' annual report for the purposes of the Charities Act 2011 and the directors' report for the purposes of the Companies Act 2006.

The EIRIS Foundation is a company limited by guarantee without share capital. Each member's liability is limited to £1. The company is a registered charity, and its affairs are governed by its memorandum and articles of association.

OBJECTIVES AND ACTIVITIES

Objects and mission

The EIRIS Foundation's objects are to undertake and publish research into the social and ethical aspects of businesses in the UK and overseas and how those may be relevant to investment policies and to assist other charities by providing information and advice to help them choose investments which do not conflict with their aims or otherwise hamper their work.

Following a review of our goals and mission we have concluded that the best way to describe our current work and the role we want to play in future is that the EIRIS Foundation is a research, advice and advocacy charity that pioneers the next steps for sustainable finance. Our vision is a financial system that works for people and planet.

We have over 30 years' experience of providing free and objective information on sustainable finance and corporate activity to other charities and the public.

Our strengths. The EIRIS Foundation is a founder of the ethical and responsible investment movement. From our historic involvement in the creation of the first retail ethical fund in the UK to our founding and ongoing role with the Corporate Human Right's Benchmark (CHRB), our work illustrates our core strengths:

- **A pioneering spirit.** We consistently bridge the gaps in what is needed, including on difficult, under-served topics.
- **Independence.** As a charity, we can avoid conflicts of interest.
- **Catalysing coalitions.** That independence, plus a wide network of long-standing connections, mean we can bring together broad collaborations when required.
- **Supporting innovations.** We can both deploy innovations ourselves and recognize and support great innovations from others.
- **Quality of methods and outputs.** Our research findings are known for their independence and high standards.

How we generate impact. We look for activities which use our strengths to have one or more of these effects:

- **Moving the money** to more sustainable options and to finance sustainable solutions.
- **Embedding values in the investment chain**, from the saver/pension scheme member all the way to the portfolio manager.
- **Amplifying the sustainable investor voice** on company plans; leadership; and business culture.

We have the skills and experience to find solutions that bridge the gaps in today's finance system. We aim to have impact in several connected domains. Within each we build coalitions, and both generate and support innovations. The impact in each is money moved, values embedded in investment decisions, and more pressure from sustainable voices. The cumulative effect moves us towards a finance system that works for people and planet.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

OBJECTIVES AND ACTIVITIES (continued)

Summary of policies adopted

To further these objects, the EIRIS Foundation has adopted the following policies mindful of the Charity Commission's guidance on public benefit including the guidance 'public benefit: running a charity (PB2):

- (a) We will maintain high standards of independence and rigorous analysis and focus on the public interest in our research and other work.
- (b) We acknowledge that different people and institutions will have different objectives and approaches to responsible investment and corporate responsibility. So while shared approaches can be of value in achieving impact, innovation and achieving the diverse goals of diverse investors and companies will require transparent diversity in approaches and research together with tailored advice and support.
- (c) Our approach will generally be to consult with those who may be the subject of our research (or a sample of them) and to provide companies, investors or others referred to in any publication the opportunity to provide input in advance of publication.
- (d) We will co-operate with and support other bodies with which we share objectives both in the UK and overseas in order to increase our impact.
- (e) We are not qualified or authorised to give financial advice. From time to time we will comment on or research the more general aspects of the relationship between financial performance, business success and responsible investment or corporate responsibility but we always emphasise that this should not be taken as financial advice.
- (f) We will take appropriate advice on libel and other legal obligations and have appropriate sign off and review arrangements with one or more Council Members in the case of particularly controversial statements or publications.
- (g) Initially we envisage carrying out our work through our own staff, but we may also fund others (or share funding) to undertake work in cases where a charitable objective can be achieved more effectively in that way.
- (h) We will take appropriate financial advice on the investment of our reserves.

Grant making policy

The Council of Management will review our former grant making policy in the light of our new strategy to cover any cases where we decide to fund third parties to carry out our work or to share funding for research. All such uses of funds will be in accordance with the objectives of the charitable company.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The EIRIS Foundation is a company limited by guarantee without share capital. Each member's liability is limited to £1. The company is a registered charity, and its affairs are governed by its memorandum and articles of association.

The governing body of the EIRIS Foundation is the Council of Management, which now meets four times a year. It receives reports from the CEO.

The Council of Management and the chief executive are the key management personnel of the charity in charge of directing and controlling the charity and the running and operation of the charity on a day to day basis.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Council Members who fulfil the roles of trustees of the charity and directors of the company were as followed during the reporting period:

David Bent-Hazelwood (Chair)	
Roger Cowe	
Alastair Hanton	(retired 24 April 2020)
Aaron Hay	(appointed 11 December 2020)
Clare Hierons	
Richard Howitt	(appointed 11 December 2020)
Mauricio Lazala	
John O'Reilly	(retired 11 December 2020)
Nina Roth	(appointed 11 December 2020)
Camilla Parke	
Maryann Umoren Selfe	(appointed 11 December 2020)
Richard Singleton	(retired 24 April 2020)
Frances Way	

We are very grateful for the time and commitment to our work of the three Council Members who retired during the reporting period. Sadly, we must also report that one of them, Alastair Hanton, died in May 2021. The many public obituaries attest to his wide-ranging contribution to society as a banker by trade and then a social entrepreneur and transport campaigner in 'retirement'. We were very fortunate that he saw the value of EIRIS' work on responsible or sustainable investment as deserving so much of his time and energy amongst so many other great causes. Alastair was centrally involved in the governance of the EIRIS Foundation and our former research subsidiary since the 1990s including a number of years when he was chair of the Council of Management. His wise guidance and support combined with an unceasing ambition to see the potential impact of responsible investment fulfilled has been a source of continuous inspiration over decades. Alastair saw a particular value in the actions of individual investors and savers, and we shall miss him as we continue to develop all he has helped to create.

Richard Singleton also brought us a long-standing commitment to responsible investment through his early involvement in the management of the Friends Provident Stewardship Funds and then the development of new forms of governance and other ESG engagement. He joined the Foundation's Council of Management on the merger of the research subsidiary with Vigeo to form Vigeo Eiris having previously brought his financial and ESG experience to the subsidiary's board. John O'Reilly chaired the Foundation's Council of Management during the deliberations that led to the creation of Vigeo Eiris and, as well as insightful questioning and a keen desire for practical action, John brought a steady commitment to the cause of business and human rights which sustained our decision to help create the Corporate Human Rights Benchmark in 2015 and our continuing commitment to maximising the impact of that initiative and the World Benchmarking Alliance, of which it is now a part.

We have also been delighted to welcome Aaron Hay, Richard Howitt, Nina Roth, Maryann Umoren Selfe and, since the reporting period, Rebecca Kong as new Council Members. Between them they bring considerable experience of responsible investment and sustainable finance together with a range of valuable perspectives to help guide the next stage of our work.

At the end of 2021, Roger Cowe and Mauricio Lazala also retired from the Council. Both had been directors of the Foundation's research subsidiary before the merger that created Vigeo Eiris in 2015. Roger had chaired the staffing committee of EIRIS and devoted a lot of care and attention to that role and more recently to setting up the staffing arrangements for the EIRIS Foundation as the new team took shape. Roger also brought a long-standing interest in responsible investment as a journalist and in corporate responsibility as a consultant to our Council discussions, and Mauricio brought his knowledge and experience of business and human rights to our work on the Corporate Human Rights Benchmark and our work on Conflict Risk particularly, which have become key parts of our new strategy.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

New Council Members are appointed by the existing Council of Management from time to time and our Council Review committee deals with trustee recruitment. During the reporting period, there were Council sub-committees and working groups dealing with Staffing, Council Review and Investment Policy and since the reporting period a new Fundraising Support Group has been formed. Ad hoc groups of Council Members are formed when needed by the full Council of Management to decide on particular issues or to approve particular grants or projects. There is also a process involving all Council Members for the approval of decisions between meetings.

Related parties

As explained in note 13, during the year negotiations have been concluded for the transfer of Ethical Investment Research Services (EIRIS) Limited's two US subsidiaries, EIRIS Conflict Risk Network and EIRIS USA, to the EIRIS Foundation as from 17 April 2020. See note 16 for more details.

Risk management

The Council of Management has reviewed the risks facing the charity and adopted a Risk Management Policy with a specific plan to manage the identified risks. The Risks Register will be reviewed formally at least once a year by the Council of Management and quarterly by the staff team. The main risks identified relate to managing the longer term transition to a portfolio of grant and fee funded work and maintaining and developing our reputation. Specific projects and each element of our strategy have their own delivery risks that are also tracked and managed.

Policies

More details of our strategies and approach can be found on the EIRIS Foundation website at www.eirisfoundation.org. Other key policies will be made available there in due course.

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS

The Work of the Foundation

In 2020 the Foundation continued its work to increase and broaden the impact of responsible investment and business. This work focusses on the following areas:

Helping Charities adopt and shape responsible investment practices

Our work with charities involves both helping them to develop their own ethical, sustainable and socially responsible approaches to their investments and helping them to use their influence and expertise to help drive the change to a more sustainable and just financial system. We do this through education, research and the provision of resources. Our website www.charitysr.org provides information and resources on Responsible Investment – what it is, reasons for doing it and how to go about it. We have updated a number of resources for charities, including publishing a new report on Charity Pooled Funds in February 2021. We are going to shortly be launching an entirely updated website that has been brought in line with our current core website.

We responded to the Charity Commission's call for views on responsible investment in April 2020 and encouraged the Commission to update its guidance on this issue and align it to current thinking and best practise in this space.

We continued to engage with the charity investment sector and charities generally and carried out a more formal engagement exercise encouraging charities to share their experiences and advice needs with regards to responsible investment and ethical money more generally. This work has helped shape our future plans.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS (continued)

Helping individuals drive the change to a more sustainable economy

The Foundation's key project in 2020 for this area was our 'Green and Fair Recovery' data project. UKSIF, as part of their annual Good Money Week campaign, requested data that would help inform consumers about which retail financial products and providers were best supporting and facilitating a 'Green and Fair' recovery post-COVID. UKSIF indicated that they would like to use the data we compiled to identify leadership and initiative within this broad theme. Some of the specific topics/issues of interest were: Supporting the low-carbon transition; alternatives investing; treatment of employees (in light of the pandemic); diversity and equal opportunities; Funds/lending that supports Small and Medium Sized Enterprises (SMEs); and the Sustainable Development Goals. We have used the data and our findings from this project to engage with product providers and produce our own analysis of suggested areas for improvement. We continue to explore opportunities for this data to be used by other organisations.

We have continued to produce widely used retail green and ethical investment market statistics and supported the use of these and the information available on our website.

Widening the impact of corporate responsibility best practice

The EIRIS Foundation, as well as being one of the founding partners of CHRB, continues to co-ordinate the team of researchers who produce the assessments and our CEO Peter Webster, also co-chairs the Methodology Committee.

As the team responsible for the research and the quality of the results, we play an important role in the delivery of this widely used benchmark.

In 2020 CHRB assessed the human rights disclosures of 230 global companies across five sectors. The results of the benchmark were published in November 2020. Key findings raised issues around the automotive sector and its poor performance, concerns from investors that too many companies are not meeting expectations with regards to human rights due diligence and that although a growing number of companies are improving, a concerning number still lag behind.

Business in Conflict Areas and Human Rights Due Diligence

In April 2020 the EIRIS Conflict Risk Network, who are expert in exploring business and human rights issues in particular countries, moved to the EIRIS Foundation and now forms part of its team. EIRIS Conflict Risk Network (CRN) includes institutional investors, financial service providers and related stakeholders that are calling on corporate actors to fulfill their responsibility to respect human rights and to take steps that support peace and stability in areas affected by genocide and mass atrocities. Its goal is to increase such behaviour by corporate actors, and thereby reduce conflict risk. The Network's membership encompasses pension funds, some of the world's largest asset management firms, government entities, university endowments, foundations, financial service providers and socially responsible investment firms.

At the end of 2020 we submitted our response to the UN Working Group on Business and Human Rights' call for civil society input into the next ten years of the UN Guiding Principles and in March 2021 we responded to the EU Commission's consultation on sustainable corporate governance.

Increasing the positive influence of investor engagement

Our work has continued with regards to our project focussing on the concept of transformational engagement, in 2020 we identified that this project will have a particular focus on social issues i.e., the 'S' in 'ESG'. We hope to continue with our aim of defining and encouraging meaningful engagements while also bringing together key social justice organisations to ensure social issues are highlighted and effectively integrated into investment decisions.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS (continued)

Partnerships, networking and other public benefit

During the year the staff team has continued to actively engage with a wide range of stakeholders within all of our work areas and the sphere of responsible and sustainable finance and business generally. We have held, been present at and/or been actively involved in a wide range of events and meetings, both charity-specific, responsible investment-specific and otherwise. The Foundation has continued to work with others and provide input to a variety of projects and initiatives that support or advance our work.

All of the activities described above contribute to the charity's public benefit aims.

The ongoing operation our various websites and the production and sharing of our various research projects continues to provide charities, individuals and other stakeholder organisations with information and resources to make their financial decisions more sustainable and to encourage the advancement of human rights, environmental improvement and a number of other specific areas of charitable advancement. Our core website, www.eirisfoundation.org, which includes latest news stories about our work and more general blog posts on a variety of topics continues to help others understand the work we do and point them in the direction of further useful information and resources (produced by both us and other organisations).

Future Plans

EIRIS Foundation has continued to produce high quality outputs and work behind the scenes in advancing the work we do to help responsible investors make a difference and increase the impact of responsible investment and business in achieving the transformation to a more sustainable economy. We look forward to expanding our staff team further in 2021 and exploring new sources of funding, particularly potential avenues of co-funding with like-minded organisations to enable us to scale up some of our projects.

FINANCIAL REVIEW

The charitable company and its subsidiaries had total income of £468,973 (2020 - £480,499) mostly from project work. Expenditure in the year totalled £582,029 (2020 - £560,820) resulting in net expenditure for the year before gains / (losses) on investments of £113,056 (2020 - net expenditure £80,321). The remainder of the investment in Vigeo at the beginning of the year was sold during the year at a profit of £10,725 (2020 – profit £6,613). The resultant net expenditure for the year was £102,331 (2020 - £74,814) which was taken to reserves brought forward. There were no restricted funds carried forward at the year-end (2020 – £15,000). The total funds carried forward at the year-end were £2,082,240 (2020 - £2,184,571). More details are given in the Statement of Financial Activities on page 13.

All the assets of the charity are held for the purposes described under principal activities, apart from the restricted funds which are held for the purposes described.

Reserves policy

The Council of Management has agreed to maintain half of the current reserve in the longer term, while planning to spend the other half over a 3-4 year period on the four strategic priorities and exploring ways to replenish those funds, including by attracting grants from third parties. This reserves policy will be reviewed annually as part of the budgeting process.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

FINANCIAL REVIEW (continued)

Investment Policy

The Council has approved changes to our approach during the reporting period and subsequently. To implement our reserves policy, we have divided our assets into two roughly equal parts: for the money that we plan to spend down over 3 to 4 years the policy is to invest in a cash and similar portfolio in a range of deposit and similar instruments with institutions that have a clear policy in relation to ethical or socially responsible investment or who are mutual building societies including a number who demonstrate particular leadership in our field.

The other half of our present assets we are considering as our growth fund, and the Council approved a detailed responsible investment policy for this fund which is available on our website. Subsequent to the reporting period, we undertook a public request for proposals and appointed two fund managers. We undertook this exercise publicly to provide a case study for other charities looking at their investments and we plan to develop some of the learnings from this process further in future.

The investment on the balance sheet in Vigeo Eiris at the start of the reporting period was regarded by the Council of Management as a mixed motive investment. As well as continuing and strengthening the work previously carried out directly by the Foundation's research subsidiary, Vigeo Eiris has also provided access to its research to assist the Foundation's work, and office space and other facilities for the Foundation's staff. This investment was disposed of during the year with the completion of the sale of Vigeo Eiris to Moody's.

COUNCIL MEMBERS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Council Members (who are the directors of EIRIS Foundation for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those financial statements, the directors are required to: -

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

AUDIT ENQUIRIES

In accordance with company law, as the company's directors, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- As the directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

INDEPENDENT AUDITORS

The auditors, Messrs. Cocke, Vellacott & Hill have indicated their willingness to continue in office and will be proposed for re-appointment in accordance with the Companies Act.

Approved by the Council of Management on 31 January 2022 and signed on their behalf by:



DAVID BENT-HAZELWOOD
Chair of the Council of Management

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS AND COUNCIL OF MANAGEMENT OF EIRIS FOUNDATION**

Opinion

We have audited the financial statements of Eiris Foundation (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities (including consolidated income and expenditure account), the consolidated balance sheet, the consolidated statement of cash flows and notes to the financial statements including a summary of significant accounting policies. The financial framework that has been applied in their preparation is 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".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2021, and of the group's incoming resources and application of resources 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)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Council of Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Council of Management's report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Council of Management's report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS AND TRUSTEES OF EIRIS FOUNDATION (continued)

Other matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate and proper 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 Council Members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Council of Management was not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the Council Members' responsibilities statement set out on page 8 the Council of Management (who are 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 directors determine are 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

We have obtained an understanding of the company's policies and procedures through discussions with senior management and the treasurer.

We also drew on our existing understanding of the work that the company does and the sector that it operates in..

We understand that the company complies with its responsibilities through close involvement of the CEO in the day to day running of the business and regular liaison between him and the directors. Were there any litigation or claims they would come to the attention of the CEO directly.

The company also holds regular board meetings at which all such matters are discussed. Finance papers are circulated to all directors and senior management in advance of these meetings along with a detailed report by the CEO. We have reviewed these reports, and minutes of all meetings, and no irregularities were identified.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the company's ability to conduct business and where failure to comply could result in material penalties.

We have considered the disclosure requirements of the Companies Act 2006 and the Charities SORP (FRS 102) (effective 1 January 2019) as part of our finalisation processes.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS AND TRUSTEES OF EIRIS FOUNDATION (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

We discussed the possibility of fraud with senior management and whether they had any knowledge of any actual, alleged or suspected fraud. We designed our audit tests to consider controls and tested a sample of financial transactions. We considered the timing of recognition of income from members, and of grant income.

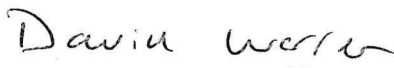
In common with all audits under ISA's (UK) we also performed specific procedures to respond to the risk of management override. We assessed the company's control environment is adequate for the size and operating model of such a company.

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

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

Use of our report

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



DAVID WARREN BA FCA (Senior statutory auditor)
For and on behalf of COCKE, VELLACOTT & HILL - Statutory Auditor
Chartered Accountants
Unit 28 City Business Centre
Lower Road
LONDON SE16 2XB

31 January 2022

EIRIS FOUNDATION**(A Company Limited by Guarantee)****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES** (Including Consolidated Income and Expenditure Account)
For the year ended 31st March 2021

	Notes	Unrestricted £	Restricted £	2021 £	2020 £
Income					
<i>Donations</i>	3 (a)	26,822	7,500	34,322	35,763
<i>Income from charitable activities</i>					
Contractual research work	3 (b)	426,631	-	426,631	432,919
<i>Investment income</i>					
Bank and building society interest receivable		8,020	-	8,020	11,817
<i>Other income</i>		-	-	-	-
Total income		<u>461,473</u>	<u>7,500</u>	468,973	<u>480,499</u>
Expenditure					
<i>Costs of raising funds</i>					
Costs of raising donations and grants	4	(7,412)	-	(7,412)	(15,109)
<i>Expenditure on charitable activities</i>					
Grants payable	5	-	(15,000)	(15,000)	(45,000)
Costs of activities - research, publications, information, provision of seminars	5	(552,117)	(7,500)	(559,617)	(500,711)
Total expenditure		<u>(559,529)</u>	<u>(22,500)</u>	(582,029)	<u>(560,820)</u>
Net income/ (expenditure) before gains and losses on investments		(98,056)	(15,000)	(113,056)	(80,321)
Net gains/ (losses) on investments					
Gain on sale of investments	12	10,725	-	10,725	6,613
Investment impairment reversal / (impairment)	12	-	-	-	(1,106)
Net income/ (expenditure) for the year	7	<u>(87,331)</u>	<u>(15,000)</u>	(102,331)	<u>(74,814)</u>
Net movements in funds and net income/ (expenditure) for the year		(87,331)	(15,000)	(102,331)	(74,814)
Reconciliation of Funds					
Total funds brought forward	18	<u>2,169,571</u>	<u>15,000</u>	<u>2,184,571</u>	<u>2,259,385</u>
Total funds carried forward	18	<u>2,082,240</u>	<u>-</u>	<u>2,082,240</u>	<u>2,184,571</u>

All the operations undertaken by the company during the current and preceding year are continuing operations.

The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 16 to 27 form part of these accounts.

EIRIS FOUNDATION
(A Company Limited by Guarantee)

CONSOLIDATED BALANCE SHEET
As at 31st March 2021

	Notes	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Fixed assets					
Intangible assets	10	23,707	-	-	-
Tangible assets	11	1,317	1,460	1,317	1,460
Investments	12	-	425,230	62,231	425,230
Total fixed assets		25,024	426,690	63,548	426,690
Current assets					
Debtors	14	39,763	168,325	28,816	168,325
Cash at bank and in hand		2,165,262	1,751,814	2,153,643	1,751,814
Total current assets		2,205,025	1,920,139	2,182,459	1,920,139
Liabilities					
Creditors: Amounts falling due within one year	15	(137,896)	(158,163)	(109,884)	(158,163)
Net current assets (liabilities)		2,067,129	1,761,976	2,072,575	1,761,976
Total assets less current liabilities		2,092,153	2,188,666	2,136,123	2,188,666
Provision for other liabilities	16	(9,913)	(4,095)	(9,913)	(4,095)
Net assets		2,082,240	2,184,571	2,126,210	2,184,571
The funds of the charity					
Restricted income funds	18	-	15,000	-	15,000
Unrestricted income funds	18	2,082,240	2,169,571	2,126,210	2,169,571
Total charity funds	18	2,082,240	2,184,571	2,126,210	2,184,571

The directors (trustees) have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and those prepared for circulation to members of the company.

The Financial Statements were approved by the Council of Management on 31 January 2022 and signed on their behalf by:



DAVID BENT-HAZELWOOD – Chair of the Council of Management

Registered Company Number: 02460330

The notes on pages 16 to 27 form part of these accounts.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31st March 2021

	Notes	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Cash flows from operating activities					
Net income (expenditure) for the year		(102,331)	(74,814)	(58,361)	(74,814)
<i>Adjustments for:</i>					
Interest received		(8,020)	(11,817)	(8,020)	(11,817)
Amortisation of intangible assets	10	11,044	-	-	-
Depreciation of tangible assets	11	988	801	988	801
Impairment (reversal of) of fixed asset investment	12	-	1,106	-	1,106
Profit on disposal of fixed asset investments	12	(10,725)	(6,613)	(10,725)	(6,613)
Increase in provision for other liabilities	16	5,818	4,095	5,818	4,095
(Increase) decrease in debtors	14	128,562	(124,048)	139,509	(124,048)
(Decrease) increase in creditors	15	(20,267)	70,567	(48,279)	70,567
Net cash (outflow) inflow from operating activities		5,069	(140,723)	20,930	(140,723)
Cash flow from investing activities					
Purchases of intangible assets	10	(34,751)	-	-	-
Purchase of fixed asset equipment	11	(845)	(2,119)	(845)	(2,119)
Purchase of subsidiaries	13	-	-	(62,231)	-
Proceeds from disposal of fixed asset investment	12	435,955	432,948	435,955	432,948
Interest received		8,020	11,817	8,020	11,817
Net cash provided by investing activities		408,379	442,646	380,899	442,646
Net (decrease) increase in cash and cash equivalents		413,448	301,923	401,829	301,923
Cash and cash equivalents at the beginning of the period		1,751,814	1,449,891	1,751,814	1,449,891
Cash and cash equivalents at end of period		2,165,262	1,751,814	2,153,643	1,751,814

The notes on pages 16 to 27 form part of these accounts.

NOTES TO THE ACCOUNTS

For the period to 31st March 2021

1. GENERAL INFORMATION AND LEGAL STATUS

EIRIS Foundation is a registered charity and a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. It is incorporated and domiciled in England and its registered office is The Foundry, 17 -19 Oval Way, London SE11 5RR.

The charitable company's principal activity continues to be to undertake and publish research into the social and ethical aspects of businesses in the UK and overseas and how those may be relevant to investment policies and, further, to assist other charities by providing information and advice to help them choose investments which do not conflict with their aims or otherwise hamper their work. The charitable company's subsidiaries provide investors with the research, insights, and engagement support they need to identify and influence companies that impact or operate in conflict-affected areas in order to reduce conflict risks to both people and portfolios.

2. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to the accounts. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102) and the Companies Act 2006.

The accounts consolidate the results of the charitable company and its subsidiaries, Ethical Investment Research Service (EIRIS) USA and EIRIS Conflict Risk Network (CRN) on a line-by-line basis. The results of subsidiaries acquired during the year are included in the statement of financial activities from the effective date of acquisition using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. A separate Statement of Financial Activities and Income and Expenditure Account for the charitable company have not been presented because the charitable company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The directors have approved the omission of the company's individual income and expenditure account in accordance with section 414(1) from the company's annual accounts.

EIRIS Foundation meets the definition of a public benefit entity under FRS 102.

The Council of Management considers, having reviewed the charitable company's forecasts and projections, that there are no material uncertainties about its ability to continue as a going concern for the foreseeable future and have therefore adopted the going concern basis in preparing these financial statements.

(b) Income from trading activities

Income represents contracts for the provision of research and advice on responsible investment and is shown net of value added tax.

(c) Donations and similar income

Donations and grants receivable are accounted for in the period in which the charity becomes entitled to them and they can be measured with reasonable certainty. Income is deferred if the donor specifies conditions that the income is to be spent in a future period. Donations and grants are used in accordance with the wishes of the grantors.

Donated services are included in the statement of financial activities at the estimated value to the charity of the service or facility received, i.e., at the price the company estimates it would pay in the open market for a service of equivalent utility to the charity. An equivalent amount to that recognised as income is included as expenditure under the appropriate heading in the statement of financial activities.

2. ACCOUNTING POLICIES (continued)

(d) **Interest receivable**

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

(e) **Fund accounting**

Unrestricted income funds comprise those funds which the Council of Management is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Council of Management, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are used in accordance with specific restrictions imposed by the donor.

(f) **Expenditure recognition**

Expenditure is recognised once 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.

Grants payable are made to third parties in the furtherance of the charitable objectives of the charity. Grants are accounted for when the Council of Management has agreed to pay a grant without condition and the recipient has a reasonable expectation that they will receive the grant. Provisions for grants are made when the intention to make the grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of the grant.

All expenditure is accounted for on an accruals basis. Expenditure is classified under the following activity headings:

- Costs of generating funds comprise the costs associated with attracting voluntary income and investment management costs together with an apportionment of support costs.
- Charitable activities expenditure comprises those costs including grant making incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other expenditure represents those items not falling into any other heading.

(g) **Allocation of support and governance costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, finance, payroll and governance costs.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. These include the audit fees, legal fees and costs linked to the strategic management of the charity.

Support and governance costs are allocated between cost of raising funds and expenditure on charitable activities on a reasonable, justifiable and consistent basis, e.g., taking into account the number of grants awarded and staff time. The allocation of support and governance costs is analysed in note 6.

(h) **Foreign currency**

The financial statements of the charitable company are presented in Sterling (£) which is its functional currency.

Transactions in foreign currencies are translated into sterling at the exchange rate in operation on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates. All revaluation differences and foreign exchange differences are taken to the statement of financial activities.

2. ACCOUNTING POLICIES (continued)

(i) Business combinations and goodwill

Acquisition of subsidiaries are accounted for using the purchase method. The cost of the business combination is the fair value of the consideration given, liabilities incurred or assumed plus the costs directly attributable to the business combination.

Any excess of the cost of the business combination over the group's interest in the net fair value of the identifiable assets and liabilities acquired is recognised as goodwill.

Goodwill is amortised over its estimated useful life, which the Council of Management have deemed to be 3 years, using the straight line basis. Goodwill is assessed for impairment when there are indicators of impairment, and any impairment is charged to the income and expenditure account.

(j) Tangible Fixed Assets

Tangible fixed assets are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation has been provided on the tangible fixed assets at an annual rate of 25% on the straight-line method, except on computer equipment on which it is provided at an annual rate of 33% on the straight-line method so as to write off the assets over their estimated useful life.

(k) Fixed asset investments

Investment in unquoted investments – unquoted investments are shown at cost less accumulated impairment losses.

The investments held by the charitable company are mixed motive (or mixed purpose) investments in that they are held to generate a financial return and they also contribute to the charitable company's purposes through the activities funded by the investment.

Investment in subsidiaries

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

(l) Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount is reduced to its recoverable amount and an impairment loss is recognised in the profit and loss account.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount but not in excess of the amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised in the profit and loss account.

(m) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments held at call with banks and building societies.

(n) Pensions

The company contributes to pension arrangements on behalf of its employees. Contributions payable for the year are charged in the profit and loss account when they are due.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2021

3. (a) INCOME FROM DONATIONS

	2021	2020
	£	£
Sponsorship of Pooled Fund Report	7,500	-
Donated services	26,822	35,763
Total	34,322	35,763

More details of the various grants which are restricted are given in note 18. The charitable company is grateful to Vigeo Eiris for providing office space and services relating to accounting, HR and IT up to 31 December 2020. The value of these to the charitable company is estimated to be £26,822 (2020 - £35,763) and recognised in these financial statements as a donation with an equivalent charge included in costs within meeting room and office rent and legal and professional.

(b) CONTRACTUAL RESEARCH WORK

Included in the unrestricted income from contractual research work of £426,631 (2020 - £387,919) is £303,367 (2020 - £374,794) from CHRb, £74,265 from the subsidiaries and an amount of £49,000 (2020 - £13,125) for advisory work with Vigeo Eiris on the use of research and the Vigeo Eiris methodology by investors and on developments in the field.

4. COSTS OF RAISING FUNDS

	2021	2020
	£	£
Costs of raising grants and donations		
Shared staff costs (see note 8)	3,775	2,366
Governance costs (see note 6)	311	1,258
Support costs (see note 6)	3,326	11,485
Total	7,412	15,109

All of the costs of raising funds were from unrestricted funds in both years.

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Grants payable	Research projects	Total	2020
	£	£	£	£
Grants (see note below)	15,000	-	15,000	45,000
Projects and seminars	-	151,817	151,817	260,842
Staff costs (see note 8)	-	199,875	199,875	82,108
Shared staff costs (see note 8)	-	53,020	53,020	29,677
Meeting room and office rent	-	-	-	1,149
Website and IT costs	-	3,631	3,631	3,335
Travelling	-	-	-	8,456
Governance costs (see note 6)	-	32,568	32,568	23,909
Support costs (see note 6)	-	118,706	118,706	91,235
Total	15,000	559,617	574,617	545,711

Expenditure on charitable activities was £559,617 (2020 - £500,711) of which £22,500 (2020 - £60,000) was expenditure from restricted funds and £552,117 (2020 - £440,711) was expenditure from unrestricted funds.

Two grants totalling £15,000 were also made in the year under review to Corporate Human Rights Benchmark (CHRb) (2020 – three for a total of £45,000) for support of their charitable work.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2021

6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

	Other support	Governance related	2021 Total	2020 Total
	£	£	£	£
Staff costs (see note 8)	59,383	8,873	68,256	51,465
Legal and professional	22,245	13,843	36,088	37,971
Audit fees	-	5,000	5,000	3,000
Committee travel expenses	-	-	-	148
Meeting room and office rent	13,548	2,024	15,572	21,043
Website and IT costs	2,282	341	2,623	4,223
Insurance	5,156	193	5,349	3,577
Bank charges	431	30	461	511
Memberships	6,383	112	6,495	1,408
Training and other staff expenses	520	78	598	2,750
Sundry expenses	2,358	79	2,437	990
Amortisation of goodwill	8,866	2,178	11,044	-
Depreciation	860	128	988	801
Total	122,032	32,879	154,911	127,887

The charitable company initially identifies the costs of its support functions. It then identifies those support costs which relate to the governance function. Governance costs and other support costs are then apportioned on the basis of time spent between the costs of raising funds and its key charitable activities undertaken (see notes 4 and 5 above) in the year.

7. NET INCOME (EXPENDITURE)

	2021	2020
	£	£
This is stated after charging the following:		
Staff costs (see note 8)	324,926	165,616
<i>Auditors' remuneration</i>		
Audit fees	4,000	3,000
Accountancy and general advice	3,100	2,000
Tax advisory services	300	600
Depreciation	988	801
	<u>324,926</u>	<u>165,616</u>

8. DIRECTORS AND EMPLOYEES

	2021	2020
	£	£
Salaries and wages	264,909	140,696
Social security costs	35,395	11,555
Pension costs	24,622	13,365
	<u>324,926</u>	<u>165,616</u>

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2021

8. DIRECTORS AND EMPLOYEES (continued)

The staff costs have been allocated between cost of raising funds and expenditure on charitable activities as follows:

	2021	2020
	£	£
Costs of raising funds (note 4)		
Shared staff costs	3,775	2,366
Other staff costs (note 6)	8,758	5,236
Governance (note 6)	115	232
Expenditure on charitable activities (note 5)		
Staff costs	199,875	82,108
Other support costs (note 6)	51,425	41,597
Shared staff costs	53,020	29,677
Governance (note 6)	7,958	4,400
	324,926	165,616

The average number of employees during the year was:

	No.	No.
Administration	1	1
Research	6	3
	7	4

None of the Council Members (who are also the trustees of the charity and directors of the Company) received any reimbursement for expenses or remuneration from employment or payment for professional or other services supplied to the charity during the current or preceding year.

The charity considers its key management personnel comprise the trustees and the Chief Executive Officer. The total employment benefits including employer pension contributions of the key management personnel were £72,270 (2020 - £39,994).

One employee received emoluments (excluding employer pension costs) exceeding £60,000 during the year within the band of £60,000 to £70,000 (2020 – none).

9. CORPORATION TAX

The charitable company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2021

10. INTANGIBLE FIXED ASSETS

The group

	<u>Goodwill</u>	<u>Total</u>
	£	£
<i>Cost at 1 April 2020</i>	-	-
Additions during the year	34,751	34,751
Cost at 31 March 2021	<u>34,751</u>	<u>34,751</u>
 <i>Accumulated amortisation at 1 April 2020</i>	 -	 -
Amortisation for the year	11,044	11,044
Amortisation at 31 March 2021	<u>11,044</u>	<u>11,044</u>
 Net book amount at 31 March 2021	 <u>23,707</u>	 <u>23,707</u>
 <i>Net book value at 31 March 2020</i>	 <u>-</u>	 <u>-</u>

See notes 2(i) and 26 for more details of goodwill. Amortisation is included in income and expenditure for the year.

11. TANGIBLE FIXED ASSETS

The Group and Charitable Company

	<u>Office equipment</u>	<u>Total</u>
	£	£
<i>Cost at April 2020</i>	2,402	2,402
Additions during the year	845	845
Cost at 31 March 2021	<u>3,247</u>	<u>3,247</u>
 <i>Accumulated depreciation at 1 April 2020</i>	 942	 942
Charge for the year	988	988
Depreciation at 31 March 2021	<u>1,930</u>	<u>1,930</u>
 Net book amount at 31 March 2021	 <u>1,317</u>	 <u>1,317</u>
 <i>Net book value at 31 March 2020</i>	 <u>1,460</u>	 <u>1,460</u>

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2021

12. FIXED ASSET INVESTMENTS

The Group

	Other Investments £	2021 Total £	<i>2020 Total £</i>
At cost at 1 April	425,230	425,230	852,671
Disposals	(425,230)	(425,230)	(426,335)
Impairment reversal / (loss)	-	-	(1,106)
Additions	-	-	-
Cost at 31 March	-	-	425,230

In the reporting period the remaining shares in Vigeo were sold to Moody's (who because the majority shareholder in Vigeo Eiris). No dividends or other distributions were received from Vigeo Eiris during the year.

13. FIXED ASSET INVESTMENTS

The Charity

	Other Investments £	Investment in subsidiaries £	2021 Total £	<i>2020 Total £</i>
At cost at 1 April	425,230	-	425,230	852,671
Disposals	(425,230)	-	(425,230)	(426,335)
Impairment reversal / (loss)	-	-	-	(1,106)
Additions	-	62,231	62,231	-
Cost at 31 March	-	62,231	62,231	425,230

In the reporting period the remaining shares in Vigeo were sold to Moody's (who because the majority shareholder in Vigeo Eiris). No dividends or other distributions were received from Vigeo Eiris during the year.

At the beginning of the year Ethical Investment Research Services (EIRIS) Limited's two US subsidiaries, EIRIS Conflict Risk Network and EIRIS USA were transferred to the EIRIS Foundation with effect from 17 April 2020. Including the effect of making refunds for some items and writing off some balances, EIRIS Foundation made a net payment of £62,231 to Ethical Investment Research Services (EIRIS) Limited for the transfer.

See notes 20 and 21 for more details of the subsidiary companies.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2021

14. DEBTORS

	Group 2021 £	<i>Group</i> <i>2020</i> £	Charity 2021 £	<i>Charity</i> <i>2020</i> £
Trade debtors	16,476	21,830	6,830	21,830
Other debtors	3,352	468	2,051	468
Prepayments and accrued income	19,935	146,027	19,935	146,027
	<u>39,763</u>	<u>168,325</u>	<u>28,816</u>	<u>168,325</u>

15. CREDITORS: Amounts falling due within one year

	Group 2021 £	<i>Group</i> <i>2020</i> £	Charity 2021 £	<i>Charity</i> <i>2020</i> £
Trade creditors	80,512	3,558	80,152	3,558
Taxation and social security costs	1,044	6,498	-	6,498
Other creditors	637	4,308	637	4,308
Accruals and deferred income	55,703	143,799	29,095	143,799
	<u>137,896</u>	<u>158,163</u>	<u>109,884</u>	<u>158,163</u>

16. PROVISION FOR OTHER LIABILITIES

The Group and Charitable Company

	Leave pay provision £
Provision at 1 April 2020	4,095
Additions	9,913
Utilised in the year	4,095
Provision at 31 March 2021	<u>9,913</u>

The leave pay provision represents holiday balances accrued as a result of services rendered in the current year and which employees are entitled to carry forward. The provision is measured as the salary cost payable for the year of absence.

17. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year other than those with the company's wholly controlled subsidiary companies. See note 19 for more details of the subsidiary companies

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2021

18. INCOME FUNDS

Analysis of Group fund movements

	Balance b/fwd £	Income/ (Gains) £	Expenditure £	Balance c/fwd £
Unrestricted funds				
General income fund	2,169,571	472,198	(559,529)	2,082,240
Restricted funds				
CHRB project – Aviva	15,000	-	(15,000)	-
Pooled Funds Report – CCLA	-	7,500	(7,500)	-
	15,000	7,500	(22,500)	-
Total funds	2,184,571	479,698	(582,029)	2,082,240

Analysis of Charity fund movements

	Balance b/fwd £	Income/ (Gains) £	Expenditure £	Balance c/fwd £
Unrestricted funds				
General income fund	2,169,571	397,934	(441,295)	2,126,210
Restricted funds				
CHRB project – Aviva	15,000	-	(15,000)	-
Pooled Funds Report – CCLA	-	7,500	(7,500)	-
	15,000	7,500	(22,500)	-
Total funds	2,184,571	405,434	(463,795)	2,126,210

Description of funds

The unrestricted general fund represents the 'free reserves' after allowing for all designated funds available to be spent at the discretion of the Council of Management.

The restricted funds related to grants and sponsorships given for specific purposes and which were spent on those purposes. A balance of £Nil (2020 - £15,000) was left at the year-end to be spent in future periods.

The CHRB fund was for the research and project management of the Corporate Human Rights Benchmark (CHRB), an initiative which created the world's first wide-scale benchmark on corporate human rights performance. It relates to sums received from Aviva the majority of which has been passed on to CHRB for specific work undertaken on the CHRB project.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2021

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Group General funds £	Group Restricted funds £	Total Group funds £	Charity General funds £	Charity Restricted funds £	Total Charity funds £
Intangible assets	23,707	-	23,707	-	-	-
Fixed assets	1,317	-	1,317	1,317	-	1,460
Fixed asset investments	-	-	-	62,231	-	62,231
Cash at bank and in hand	2,165,262	-	2,165,262	2,153,643	-	2,153,643
Other current assets	39,763	-	39,763	28,816	-	28,816
Creditors of less than one year	(137,896)	-	(137,896)	(109,884)	-	(109,884)
Provisions for liabilities	(9,913)	-	(9,913)	(9,913)	-	(9,913)
Total	2,082,240	-	2,082,240	2,126,210	-	2,126,210

20. DETAILS OF CONSOLIDATED SUBSIDIARIES

<u>Name of company</u>	<u>Country of incorporation</u>	<u>Details of investment</u>	<u>% held</u>
Ethical Investment Research Services (EIRIS) USA	USA	Membership	100%
EIRIS Conflict Risk Network	USA	Membership	100%

Ethical Investment Research Services (EIRIS) USA

The aggregate amount of capital and reserves at the year end and profit or loss for the year for EIRIS Conflict Risk Network is as follows:

	2021 £	2020 £
Aggregate amount of capital and reserves	<u>(5,364)</u>	<u>(618)</u>
Profit / (loss) for the year	<u>(4,746)</u>	<u>(2,826)</u>

EIRIS Conflict Risk Network

The aggregate amount of capital and reserves at the year end and profit or loss for the year for EIRIS Conflict Risk Network is as follows:

	2021 £	2020 £
Aggregate amount of capital and reserves	<u>(81)</u>	<u>28,098</u>
Profit / (loss) for the year	<u>(28,179)</u>	<u>149,554</u>

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st March 2021

21. BUSINESS COMBINATIONS

On 17 April 2020 the charitable company acquired complete control of EIRIS Conflict Risk Network (CRN) and Ethical Investment Research (EIRIS) USA both of which operate in the United States of America. The total consideration was in cash and for the amount of £62,231.

The amounts recognised for each class of assets, liabilities and contingent liabilities at acquisition were as follows:

	Ethical Investment Research Services (EIRIS) USA	EIRIS Conflict Risk Network (CRN)
	£	£
Intangible assets – goodwill	-	34,751
Trade debtors	-	53,829
Other receivables	461	-
Cash and cash equivalents	6,645	(1,044)
Other payables	273	-
Deferred income	(7,997)	(24,687)
	(618)	62,849
Total identifiable net assets	(618)	62,849

The Council of Management have estimated the useful life of the goodwill to be 3 years. The existing client base, methodology and reputation of the EIRIS Conflict Risk Network will allow the EIRIS Foundation to develop a broader offering on conflict risk extending beyond the existing Sudan service to include Burma/Myanmar and other conflicts. This will help promote the consideration of conflict risk more broadly amongst investors as part of their responsible or sustainable investment approaches leading to more Conflict Risks Network members and more positive impact in conflict affected areas. Within three years we anticipate that the existing Sudan service users will have been converted to a wider service or the service itself developed to deal with the challenges of transition in Sudan, rather than the original focus on targeted sectors identified at the time of the Darfur genocide.

The revenue from EIRIS Conflict Risk Network (CRN) and Ethical Investment Research (EIRIS) USA included in the consolidated statement of financial activities was £57,449 and £16,815 respectively.

