

**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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**LEGAL AND ADMINISTRATIVE INFORMATION**

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

**REPORT OF THE COUNCIL OF MANAGEMENT**

For the year ended 31 March 2023

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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)**

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**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)**

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**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](http://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)**

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**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](http://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 practice 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)**

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**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](http://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)**

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**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**

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**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)

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**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)**

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**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.

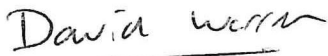
In common with all audits under ISA's (UK) we also performed specific procedures to respond to the risk of management override. We assessed the company's control environment is adequate for the size and operating model of such a company.

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](http://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 £
<b>Income</b>					
<i>Donations</i>	3 (a)	-	-	-	-
<i>Income from charitable activities</i>					
Contractual research work	3 (b)	300,960	60,250	<b>361,210</b>	239,704
<i>Investment income</i>					
Bank and building society interest receivable		10,602	-	<b>10,602</b>	1,954
<i>Other income</i>		30,758	-	<b>30,758</b>	-
Total income		<u>342,320</u>	<u>60,250</u>	<u><b>402,570</b></u>	<u>241,658</u>
<b>Expenditure</b>					
<i>Costs of raising funds</i>					
Costs of raising donations and grants	4	(67,186)	-	<b>(67,186)</b>	(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)	<b>(661,022)</b>	(462,058)
Total expenditure		<u>(667,958)</u>	<u>(60,250)</u>	<u><b>(728,208)</b></u>	<u>(472,516)</u>
Net income/ (expenditure) before gains and losses on investments		(325,638)	-	<b>(325,638)</b>	(230,858)
<b>Net gains/ (losses) on investments</b>					
Loss on revaluation of investments	12	(25,002)	-	<b>(25,002)</b>	(9,768)
Gain on sale of investments	12	-	-	-	-
Net income/ (expenditure) for the year	7	<u>(350,640)</u>	<u>-</u>	<u><b>(350,640)</b></u>	<u>(240,626)</u>
<b>Net movements in funds and net income/ (expenditure) for the year</b>		<b>(350,640)</b>	<b>-</b>	<b>(350,640)</b>	<b>(240,626)</b>
<b>Reconciliation of Funds</b>					
Total funds brought forward	18	<u>1,841,614</u>	<u>-</u>	<u>1,841,614</u>	<u>2,082,240</u>
<b>Total funds carried forward</b>	18	<u><b>1,490,974</b></u>	<u><b>-</b></u>	<u><b>1,490,974</b></u>	<u><b>1,841,614</b></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 £
<b>Fixed assets</b>					
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
<b>Current assets</b>					
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
<b>Liabilities</b>					
<b>Creditors:</b> Amounts falling due within one year	15	(152,584)	(121,465)	(93,730)	(85,332)
<b>Net current assets (liabilities)</b>		529,482	1,342,077	529,854	1,346,471
<b>Total assets less current liabilities</b>		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)
<b>Net assets</b>		1,490,974	1,841,614	1,551,542	1,894,109
<b>The funds of the charity</b>					
Restricted income funds	18	-	-	-	-
Unrestricted income funds	18	1,490,974	1,841,614	1,551,542	1,894,109
<b>Total charity funds</b>	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 £
<b>Cash flows from operating activities</b>					
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)
<b>Net cash (outflow) inflow from operating activities</b>		<b>(293,814)</b>	<b>(327,055)</b>	<b>(292,292)</b>	<b>(337,384)</b>
<b>Cash flow from investing activities</b>					
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
<b>Net cash provided by investing activities</b>		<b>(496,052)</b>	<b>(500,053)</b>	<b>(495,930)</b>	<b>(498,046)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>(788,866)</b>	<b>(827,108)</b>	<b>(788,222)</b>	<b>(835,430)</b>
Cash and cash equivalents at the beginning of the period		1,338,154	2,165,262	1,318,213	2,153,643
<b>Cash and cash equivalents at end of period</b>		<b>548,288</b>	<b>1,338,154</b>	<b>529,991</b>	<b>1,318,213</b>

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

**NOTES TO THE ACCOUNTS**

For the period to 31st March 2023

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**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	-	<b>222,863</b>	111,657
Social Influence Map	-	60,250	<b>60,250</b>	-
Subsidiaries projects	78,099	-	<b>78,099</b>	68,672
BHHRC	-	-	-	20,000
Consultancy	-	-	-	39,375
<b>Total</b>	<b>300,960</b>	<b>60,250</b>	<b>361,210</b>	<b>239,704</b>

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

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

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
<b>Total</b>	<b>199,510</b>	<b>67,145</b>	<b>266,655</b>	<b>175,311</b>

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
	<b>445,902</b>	<b>313,082</b>

**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:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Costs of raising funds (note 4)</b>		
Staff costs	<b>27,472</b>	4,542
Governance (note 6)	<b>2,463</b>	546
Support costs (note 6)	<b>5,876</b>	1,058
<b>Expenditure on charitable activities (note 5)</b>		
Staff costs	<b>283,606</b>	226,946
Other support costs (note 6)	<b>89,119</b>	69,686
Governance (note 6)	<b>37,366</b>	10,304
	<b>445,902</b>	313,082
	<hr/>	<hr/>
	<hr/>	<hr/>
The average number of employees during the year was:	<b>No.</b>	<b>No.</b>
Administration	<b>1</b>	1
Research & Project work	<b>9</b>	5
	<hr/>	<hr/>
	<b>10</b>	6
	<hr/>	<hr/>
	<hr/>	<hr/>

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	-	-
<b>Cost at 31 March 2023</b>	<u>34,751</u>	<u>34,751</u>
<i>Accumulated amortisation at 1 April 2022</i>	22,628	22,628
Amortisation for the year	11,584	11,584
<b>Amortisation at 31 March 2023</b>	<u>34,212</u>	<u>34,212</u>
<b>Net book amount at 31 March 2023</b>	<u>539</u>	<u>539</u>
<i>Net book value at 31 March 2022</i>	<u>12,123</u>	<u>12,123</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>	<u>Charity</u>
	<u>Office</u>	<u>Office</u>
	<u>equipment</u>	<u>equipment</u>
	£	£
<i>Cost at April 2022</i>	5,254	3,247
Additions during the year	6,654	6,532
<b>Cost at 31 March 2023</b>	<u>11,908</u>	<u>9,779</u>
<i>Accumulated depreciation at 1 April 2022</i>	2,965	2,965
Charge for the year	3,092	2,459
<b>Depreciation at 31 March 2023</b>	<u>6,057</u>	<u>5,424</u>
<b>Net book amount at 31 March 2023</b>	<u>5,851</u>	<u>4,355</u>
<i>Net book value at 31 March 2022</i>	<u>2,289</u>	<u>282</u>

**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	<b>490,232</b>	-
Additions	500,000	<b>500,000</b>	500,000
Disposals	-	-	-
Net gain/(loss) on revaluation	(25,002)	<b>(25,002)</b>	(9,768)
Market value at 31 March	<u>965,230</u>	<u><b>965,230</b></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	<b>62,231</b>	62,231
At market value 1 April	490,232	-	<b>490,232</b>	-
Additions at cost	500,000	-	<b>500,000</b>	500,000
Disposals	-	-	-	-
Net gain/(loss) on revaluation	(25,002)	-	<b>(25,002)</b>	(9,768)
Cost at 31 March	<u>          </u>	<b>62,231</b>	<b>62,231</b>	62,231
Market value at 31 March	<u><b>965,230</b></u>	<u>          </u>	<u><b>965,230</b></u>	<u>490,232</u>
Total investments	<u><b>965,230</b></u>	<u><b>62,231</b></u>	<u><b>1,027,461</b></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**

	<b>Group</b> <b>2023</b>	<i>Group</i> <i>2022</i>	<b>Charity</b> <b>2023</b>	<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

	<b>Group</b> <b>2023</b>	<i>Group</i> <i>2022</i>	<b>Charity</b> <b>2023</b>	<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.

	<b>Group</b> <b>2023</b>	<i>Group</i> <i>2022</i>	<b>Charity</b> <b>2023</b>	<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				

**16. PROVISION FOR OTHER LIABILITIES**

**The Group and Charitable Company**

	<b>Leave pay provision</b> <b>£</b>
Provision at 1 April 2022	5,107
Additions	10,128
Utilised in the year	(5,107)
<b>Provision at 31 March 2023</b>	<u><b>5,107</b></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 £
<b>Unrestricted funds</b>				
General income fund	1,841,614	342,320	(692,960)	1,490,974
<b>Restricted funds</b>	-	60,250	(60,250)	-
<b>Total funds</b>	1,841,614	402,570	(753,210)	1,490,974

**Analysis of Charity fund movements**

	Balance b/fwd £	Income/ (Gains) £	Expenditure/ (losses) £	Balance c/fwd £
<b>Unrestricted funds</b>				
General income fund	1,894,109	264,221	(606,788)	1,551,542
<b>Restricted funds</b>	-	60,250	60,250	-
<b>Total funds</b>	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 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)
<b>Total</b>	<b>1,490,974</b>	<b>-</b>	<b>1,490,974</b>	<b>1,551,542</b>	<b>-</b>	<b>1,551,542</b>

**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
<b>Total</b>	<b>133,559</b>	<b>44,816</b>

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:

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

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:

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

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