

THE RAAIS FOUNDATION
UNAUDITED
TRUSTEE'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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THE RAAIS FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees Dr Nathan Benaich, Chair

**Charity registered
number** 1181904

Principal office Met Traders Ltd
79 Maygrove Road
London
NW6 2EG

Accountants Blick Rothenberg Limited
Chartered Accountants
16 Great Queen Street
Covent Garden
London
WC2B 5AH

Bankers Natwest Bank plc
45 Tottenham Court Road
London
W1T 2EA

TRUSTEE'S REPORT FOR THE YEAR ENDED 31 MARCH 2021

The trustee presents the annual report together with the financial statements of the The RAAIS Foundation for the year 1 April 2020 to 31 March 2021. The trustee confirms that the annual report and financial statements of the charity comply with the Charities Act 2011, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP): Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 (FRS102).

Objectives and activities

a. Policies and objectives

The objective of the foundation is the advancement of education and research in artificial intelligence. The activities of the foundation are, without geographical limitation, for the benefit of the current and future generations of the general public, students, technologists, and researchers who will use and create new artificial intelligence know-how, tools, software, and products that themselves and many others can use to accelerate progress in the many and varied field of artificial intelligence in daily life.

b. Main activities undertaken to further the charity's purposes for the public benefit

Statement of public benefit

The trustee is aware of the Charity Commission's guidance on Public Benefit and confirms that he has complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. He considers the information which follows in this annual report, about the CIO's aims, activities and achievements in those areas that the CIO supports demonstrates the public benefit that arises from its activities.

Achievements and performance

a. Main achievements of the charity

In achieving this objective, the CIO aim to increase the availability of accessible education in this field to the wider community, helping the public to understand the methods, benefits and potential consequences of the increasing use of artificial intelligence in daily life, as well as aid the development of capabilities, competencies, and skills of individuals especially those who have limited or no opportunity to participate and encourage greater community participation always without remunerative motives.

Among other ways, the foundation will seek to further this object by:

- issuing research and project grants to individuals or groups who intend to, or are in the process of, creating new knowledge and open source resources in artificial intelligence for the greater benefit and welfare of society in areas such as education and healthcare, but do not have the financial resources to do so independently;
- promoting recent developments, stimulating discussion and exchanging of information about artificial intelligence, by hosting non-profit making events such as the research and applied artificial intelligence summit (Raais) and london.ai, which bring together interested members of the general public, academics, students and thinkers to learn about artificial intelligence. The events facilitate opportunities to engage in educational programmes (e.g. internships, research collaborations) in academia and industry and provide educational resources on youtube (such as speaker lectures and accessible knowledge workshops) and on the web generally; and
- publishing content that provides the general public with a structured arrangement of introductory resources and information in relation to artificial intelligence (such as the free-to-access state of AI report 2018, which is a comprehensive and accessible guide to artificial intelligence research, industry applications, talent and national implications).

**TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Achievements and performance (continued)

b. Review of activities

As a general rule, the foundation does not solicit grants but focuses its attention on awarding grants and bursaries to particular projects originated through the annual RAAIS conference and quarterly LondonAI events, through which funds are raised, and the associated AI community built around these events. In the period under review, the foundation ran funding projects as follows:

OpenMined Fellowships:

OpenMined Fellowships were developed to support full and part-time work on open-source codebase. OpenMined is an open-source community focused on researching, developing, and promoting tools for secure, privacy-preserving, value-aligned artificial intelligence. The foundation funded three Fellowships each worth £2,000 per month for 3 months. Recipients of the RAAIS OpenMined Fellowships were commissioned by the United Nations Privacy Task Team, the Broad Institute at MIT and Harvard, and the University of Oxford.

Open Climate Fix:

Open Climate Fix, a new non-profit research and development lab, totally focused on reducing greenhouse gas emissions. Every part of the organisation is designed to maximise climate impact, such as our open and collaborative approach, our rapid prototyping, and our attention on finding scalable & practical solutions. The organisation is run by Jack Kelly and Dan Travers.

By using an open-source approach, Open Climate Fix can draw upon a much larger pool of knowledge and skills than any individual company, so combining existing islands of knowledge and accelerating progress.

The approach will be to:

- Search for ML (Machine Learning) problems where, if they solve a well-defined ML task, then there is likely to be a large climate impact. For each of these challenges, the team will:
- Collate & release data, and write software tools to make it super-easy for people to consume this data;
- Run a collaborative 'global research project' where everyone from 16-year-olds to PhD students to corporate research labs can help solve the ML task; and
- Help to put good solutions into production, once the community has developed them.

Financial review

a. Going concern

After making appropriate enquiries, the trustee has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, he continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

b. Reserves policy

The foundation has no outstanding commitments or cash demands which are not adequately covered by existing resources. The net assets of the charity are regarded as free reserves and the funds at 31 March 2021 will be retained to make grants in accordance with the foundation's charitable objects.

The trustee considers that freely expendable funds are appropriate and adequate taking into account plans for grants to be awarded in the future and have therefore not yet designated a specific reserves policy. However, the trustee will keep this under constant review. In future years a specific reserves policy may be adopted.

Structure, governance and management

a. Constitution

The RAAIS Foundation is a registered charity, number 1181904, and is constituted under a CIO constitution, established on 6 February 2019.

b. Methods of appointment or election of trustee

The management of the charity is the responsibility of the trustee who is elected and co-opted under the terms of the CIO constitution.

c. Internal controls

The trustee has overall responsibility for ensuring that the charity has appropriate systems of internal controls. He is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable him to ensure that the financial statements follow best practice and all applicable law, regulation and guidance. The trustee is also responsible for safeguarding the charity's assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

d. Risk management

A risk assessment has been undertaken which comprises of:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The continuing process will identify risk areas to which the charity is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these financial statements.

The trustee has assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

**TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Plans for future periods

The trustee does not propose to deviate from the current objectives and activities of the charity as detailed above and will further develop and refine his strategies, policies and procedures for the future.

Statement of trustee's responsibilities

The trustee is responsible for preparing the trustee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustee to prepare financial statements for each financial which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 charity will continue in business.

The trustee are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the CIO constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of trustee and signed on their behalf by:



Dr Nathan Benaich
Trustee

Date: 21 April 2022

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

Independent examiner's report to the trustee of The RAAIS Foundation ('the charity')

I report to the charity trustee on my examination of the accounts of the charity for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustee of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the accounts 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

This report is made solely to the charity's trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's trustee those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustee as a body, for my work or for this report.

Signed:



Mark Hart

Dated: 21 April 2022

FCA CTA

Blick Rothenberg Limited

Chartered Accountants
16 Great Queen Street
Covent Garden
London
WC2B 5AH

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 31 March 2021 £	Total funds 31 March 2021 £	Total funds Period ended 31 March 2020 £
Income from:				
Donations and legacies	2	23,396	23,396	278,228
Total income		23,396	23,396	278,228
Expenditure on:				
Charitable activities	4	112,729	112,729	83,037
Total expenditure		112,729	112,729	83,037
Net movement in funds		(89,333)	(89,333)	195,191
Reconciliation of funds:				
Total funds brought forward		195,191	195,191	-
Net movement in funds		(89,333)	(89,333)	195,191
Total funds carried forward		105,858	105,858	195,191

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 10 to 17 form part of these financial statements.

**BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
Current assets			
Cash at bank and in hand		116,858	201,191
		<u>116,858</u>	<u>201,191</u>
Creditors: amounts falling due within one year	8	(11,000)	(6,000)
Net current assets		<u>105,858</u>	<u>195,191</u>
Total assets less current liabilities		<u>105,858</u>	<u>195,191</u>
Total net assets		<u><u>105,858</u></u>	<u><u>195,191</u></u>
Charity funds			
Unrestricted funds	9	105,858	195,191
Total funds		<u><u>105,858</u></u>	<u><u>195,191</u></u>

The financial statements were approved and authorised for issue by the trustee and signed on their behalf by:



Dr Nathan Benaich
Trustee

Date: 21 April 2022

The notes on pages 10 to 17 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The RAAIS Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Fund accounting

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

1.3 Going concern

After making enquiries, the trustee has a reasonable expectation that the charity has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved. Accordingly, he continues to adopt the going concern basis in preparing the financial statements.

1.4 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the statement of financial activities.

1.7 Taxation

The charity is not subject to any taxes on its charitable activities. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.8 Cash at bank and in hand

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

1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

1.10 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. Income from donations and legacies

Unrestricted funds	Total funds
31 March 2021	31 March 2021
£	£

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**
2. Income from donations and legacies (continued)

	Unrestricted funds	Total funds
	31 March 2021 £	31 March 2021 £
Donations	23,088	23,088
Other income	308	308
	<u>23,396</u>	<u>23,396</u>
	Unrestricted funds	Total funds
	Period ended 31 March 2020 £	Period ended 31 March 2020 £
Donations	<u>278,228</u>	<u>278,228</u>

3. Analysis of grants

	Grants to Individuals	Total funds
	31 March 2021 £	31 March 2021 £
Grants awarded to OpenMined	<u>96,396</u>	<u>96,396</u>

OpenMined Fellowships were developed to support full and part-time work on an open-source codebase maintained by a community focused on researching, developing, and promoting tools for secure, privacy-preserving, value-aligned artificial intelligence. The foundation funded several Fellowships to further develop and expand this codebase, each worth £2,000 per month for 3-6 months per individual recipient. Recipients of the RAAIS OpenMined Fellowships were commissioned by the United Nations Privacy Task Team, the Broad Institute at MIT and Harvard, the University of Oxford, and Facebook PyTorch.

Open Climate Fix, a new non-profit research and development lab, totally focused on reducing greenhouse gas emissions. Donations in the period were made to fund bursaries.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

3. Analysis of grants (continued)

	Grants to Individuals Period ended 31 March 2020 £	Total funds Period ended 31 March 2020 £
Grants awarded to OpenMined	77,683	77,683
Grants awarded to Open Climate	3,500	3,500
	<u>81,183</u>	<u>81,183</u>

4. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 31 March 2021 £	Total funds 31 March 2021 £
Grants awarded to OpenMined	96,396	96,396
Independent examination fees	5,000	5,000
Loss on foreign exchange	10,795	10,795
Bank charges	162	162
Website costs	376	376
	<u>112,729</u>	<u>112,729</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	Unrestricted funds Period ended 31 March 2020 £	Total funds Period ended 31 March 2020 £
Grants awarded to OpenMined	77,683	77,683
Bank charges	3,500	3,500
Independent examination fees	6,000	6,000
Gain on foreign exchange	(4,226)	(4,226)
Bank charges	80	80
	<u>83,037</u>	<u>83,037</u>

5. Analysis of expenditure by activities

	Grant funding of activities 31 March 2021 £	Support costs 31 March 2021 £	Total funds 31 March 2021 £
Grants awarded to OpenMined	96,396	-	96,396
Independent examination fees	-	5,000	5,000
loss on foreign exchange	-	10,795	10,795
Bank charges	-	162	162
Website costs	-	376	376
	<u>96,396</u>	<u>16,333</u>	<u>112,729</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

5. Analysis of expenditure by activities (continued)

	Grant funding of activities Period ended 31 March 2020 £	Support costs Period ended 31 March 2020 £	Total funds Period ended 31 March 2020 £
Grants awarded to OpenMined	77,683	-	77,683
Grants awarded to Open Climate	3,500	-	3,500
Independent examination fees	-	6,000	6,000
Gain on foreign exchange	-	(4,226)	(4,226)
Bank charges	-	80	80
	<u>81,183</u>	<u>1,854</u>	<u>83,037</u>

6. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £5,000.

7. Trustee's remuneration and expenses

During the year, no trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no trustee expenses have been incurred (2020 nil).

8. Creditors: Amounts falling due within one year

	2021 £	2020 £
Accruals	<u>11,000</u>	<u>6,000</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds				
General Funds - all funds	195,191	23,396	(112,729)	105,858

Statement of funds - prior year

		Income £	Expenditure £	Balance at 31 March 2020 £
Unrestricted funds				
General Funds - all funds		278,228	(83,037)	195,191

10. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
General funds	195,191	23,396	(112,729)	105,858

Summary of funds - prior year

		Income £	Expenditure £	Balance at 31 March 2020 £
General funds		278,228	(83,037)	195,191

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

11. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Current assets	116,858	116,858
Creditors due within one year	(11,000)	(11,000)
Total	105,858	105,858

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Total funds 2020 £
Current assets	201,191	201,191
Creditors due within one year	(6,000)	(6,000)
Total	195,191	195,191

12. Related party transactions

Aggregate charitable donations including gift aid from trustees amounted to £Nil (2020: £Nil).