

Charity registration number 1194169

Company registration number 12303342 (England and Wales)

EA FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

EA FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	R Bronze	
	F Fosse	
	Dr A Sen	
	Dr T Sikorski	
	L Mortimer	(Appointed 6 August 2021)
	J Talbot	(Appointed 21 September 2021)
Charity number	1194169	
Company number	12303342	
Registered office	25 Canada Square Canary Wharf London E14 5LQ	
Independent examiner	Alliotts LLP Imperial House 8 Kean Street London WC2B 4AS	

EA FOUNDATION

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EA FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's articles of association, the Companies Act 2006 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)".

Objectives and activities

The charitable company was formed on 7 November 2019 and became a registered charity, number 1194169, in England and Wales in April 2021.

The objects of the charity are the prevention, or relief, of poverty by reason of financial hardship or other disadvantage, or the advancement of any other charitable purpose that the trustees see fit to pursue in the UK or overseas.

The EA Foundation was established to provide funding to eligible organisations and projects which further the aims of the EA Foundation, which are:

- to provide educational opportunities for children, young people and adults, particularly from disadvantaged communities;
- to improve access to basic services such as healthcare, clean water and electricity in disadvantaged communities;
- to address poverty and financial hardship; and
- to tackle environmental challenges and promote sustainable development.

We award grants to suitable organisations that align with these aims under our grant-making policy. We use various approaches to identify and review potential applicants, many of who contact us via our website (<https://ea-foundation.org.uk>). We made our first grant awards in Autumn 2021.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

This year represented the start of our grant-making activities, following registration with the Charity Commission of England and Wales in April 2021. Following this milestone, we further developed our internal procedures, particularly for receiving and assessing grant applications, and recruited several new trustees (Lucy Mortimer and Jessica Talbot). We opened our application process by mid-year and approved five grants to four different organisations.

We are pleased to be partnering with a range of purposeful and inspiring organisations that will significantly improve the lives of beneficiaries. The projects we financially supported across our four priority areas (education, basic services, poverty relief and sustainable development) are:

- A maternity unit in India (Sanitation First);
- Four health centres in the Democratic Republic of the Congo (Concern Worldwide);
- Training and equipping beekeepers in Syria (Mercy Hands Europe);
- A sanitation facility for a school in India (Sanitation First); and
- An employability hub for young women in the UK (Baytree Centre).

On the revenue side, we received a substantial donation of \$200,000 (£146,858) from Energy Aspects Ltd, which represented all of our funding during the year and put us in a good position to support a range of projects and causes in line with our funding priorities. In addition, staff at Energy Aspects donated their time to support us in various areas including finance, administration and graphic design. We are grateful for all of this assistance, which was free-of-charge and has not been monetised in these accounts or by Energy Aspects Ltd.

Our spending consisted of £93,782 in grant awards and just £2,565 on administrative overheads.

EA FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

The results for the year are set out on page 4.

The charity has not fully developed its reserves policy yet as grant making only began in Autumn 2021. Going forward, the trustees expect to retain sufficient reserves to pay anticipated operational costs and only make grants up to the amount possible based on committed donations.

At the period end unrestricted (free) reserves stood at £54,294 (2020: £3,782).

At this early stage in the development of the charity, the trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

The trustees plan to continue developing the EA Foundation's processes and paying out grants. The experience of selecting projects and awarding and monitoring our first grants has enabled to further refine our approach.

In August 2022, the EA Foundation received \$6 million (£4.97 million) in connection with a minority investment into Energy Aspects Ltd by Summit Investment Partners. This will enable us to substantially increase the grants that we award, which we will facilitate by scaling-up our administrative resources and processes.

Structure, governance and management

The charity is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

R Bronze

F Fosse

Dr A Sen

Dr T Sikorski

L Mortimer

J Talbot

(Appointed 6 August 2021)

(Appointed 21 September 2021)

The original trustees are the founders of the charity and all work for Energy Aspects Ltd, the main donor to the charity. The two new trustees this year are not employees of Energy Aspects Ltd.

None of the trustees has any beneficial interest in the charitable company.

All of the trustees are members of the charitable company and guarantee to contribute £1 in the event of a winding up.

The trustees' report was approved by the Board of Trustees.



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R Bronze

Trustee

Date: 15/09/2022
.....

EA FOUNDATION

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EA FOUNDATION

I report to the trustees on my examination of the financial statements of EA Foundation (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 financial statements to be reached.



Stephen Meredith FCA DChA

Alliotts LLP

Imperial House
8 Kean Street
London
WC2B 4AS

Dated: 15/09/2022

EA FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income from:</u>			
Donations and legacies	2	146,858	5,000
<u>Expenditure on:</u>			
Charitable activities	3	96,346	1,218
Net income for the year/ Net movement in funds		50,512	3,782
Fund balances at 1 January 2021		3,782	-
Fund balances at 31 December 2021		54,294	3,782

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EA FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	7	200		-	
Cash at bank and in hand		139,375		4,982	
		<u>139,575</u>		<u>4,982</u>	
Creditors: amounts falling due within one year	8	(85,281)		(1,200)	
Net current assets			54,294		3,782
Income funds					
Unrestricted funds			54,294		3,782
			<u>54,294</u>		<u>3,782</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 15/09/2022


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R Bronze
Trustee

Company registration number 12303342

EA FOUNDATION

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

1 Accounting policies

Charity information

EA Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 25 Canary Square, Canary Wharf, London, E14 5LQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Articles of Association, the Companies Act 2006 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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is allocated to each charitable activity on a direct cost basis, or as an apportionment of support costs based on time spent by staff/volunteers

EA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	146,858	5,000

EA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

3 Grants payable

	Grant making support 2021 £	2020 £
Grants to institutions (4 grants):		
Sanitation First	31,000	-
The Baytree Centre	22,000	-
Concern Worldwide UK	20,000	-
Mercy Hands Europe	20,781	-
	<u>93,781</u>	<u>-</u>

4 Support costs

	Support costs £	Governance costs £	2021 Support costs £	Governance costs £	2020 £
Bank charges	72	-	72	18	18
Independent Examination	-	1,300	1,300	-	-
Legal and professional	-	1,193	1,193	-	1,200
	<u>72</u>	<u>2,493</u>	<u>2,565</u>	<u>18</u>	<u>1,218</u>
Analysed between					
Charitable activities	<u>72</u>	<u>2,493</u>	<u>2,565</u>	<u>18</u>	<u>1,218</u>

5 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

6 Employees

	2021 Number	2020 Number
Total	<u>-</u>	<u>-</u>

The charity has no employees and relies on the volunteer time of Energy Aspects Ltd staff.

There were no employees whose annual remuneration was more than £60,000.

EA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

7 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	200	-
	<u>200</u>	<u>-</u>

8 Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals and deferred income	85,281	1,200
	<u>85,281</u>	<u>1,200</u>

9 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

EA Foundation final

Final Audit Report

2022-09-15

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