

Charity registration number 1194169
Company registration number 12303342 (England and Wales)

EA FOUNDATION

ANNUAL REPORT AND FINANCIAL

STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

R Bronze

F Fosse

Dr A Sen

Dr T Sikorski

L Mortimer

J Talbot

Legal Advisor

Maria Loukanova

Charity number

1194169

Company number

12303342

Registered office

25 North Colonnade
London
E14 5HZ

Auditor

Alliotts LLP
3 London Square
Cross Lanes
Guildford
GU1 1UJ

Contents

Opening Statement by the Chair and Foundation Director	4
Statement of Trustees' Responsibilities	5
Governance and Financial review	5
Governance	5
Conflict of Interest	6
Risk Management	6
Financial Review	6
Reserves Policy	7
Investment Policy	7
EA Foundation's Grant-making Objectives	8
Grant-making procedure	8
Key Activities	9
Achievements and Performance	9
Highlights:	9
Grants Awarded	10
Grants Awarded	10
Plans for 2024	14
Statement of Trustees' Responsibilities	15
Independent Auditor's Report	16
Statement of Financial Activities	19
Balance Sheet	20
Notes	21

Opening Statement by the Chair and Foundation Director

During 2023, the world continued its slow and focused post-Covid recovery. This process was made even more challenging by the global economic crisis triggered by the war in Ukraine and several humanitarian emergencies across the world. All these events have put significant pressure on the charitable sector, which has been forced to step up to respond to overwhelming global needs, against a backdrop of shrinking statutory and wider funding, in addition to other resource pressures.

This year, as a Foundation, we listened ever closer to our partners and worked to ensure that our response was appropriate to meet their needs. We recruited our first Foundation Director who was given a mandate to build a lean and efficient infrastructure that would enable us to achieve our key objective to find and fund partners that deliver the greatest impact for the communities we aim to support under each of our funding pillars. We have achieved a significant increase in our grant-making this year with £1,082,749 of grants awarded, almost 80% of which (£846,887) was disbursed before the year end. Subsequent payments will be made based on payment schedules as agreed with all funded partners. We intend to build on this with the development of more strategic partnerships and higher value grants to a small and selected group of partners.

As we look forward to 2024, we find ourselves in an amazing and privileged position, witnessing the positive impact of projects that are underway, nurturing key partnerships and learning from communities who are best placed to lead on their own solutions. We will remain focused on our commitment to fund under-served communities on under-supported issues across our funding priorities. We hope this approach will result in the greatest improvements in the lives of our partner communities.

Richard Bronze
Chair



Georgina Awoonor-Gordon
Foundation Director



Statement of Trustees' Responsibilities

The Trustees present their report and financial statements for the year ended 31 December 2023.

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)".

Governance and Financial review

Governance

EA Foundation was established in November 2019 as a charitable company (company number 12303342), and then April 2021 as a registered charity (charity number 1194169 in England and Wales). It was set up by Amrita Sen, Fredrik Fosse, Richard Bronze and Trevor Sikorski, committed to addressing inequities faced by some of the most marginalised communities globally. They also control a company called Energy Aspects.

EA Foundation owns shares in EA Group Holdings Ltd (the parent company of the Energy Aspects group) and currently derives its income solely from this source. In keeping with Charity Commission guidelines, EA Foundation is completely independent and has no direct connections with the operations of Energy Aspects or its clients. The Charity works entirely for public benefit and in no way works to advantage Energy Aspects; which in turn has no control over grant making or any other decisions at EA Foundation.

EA Foundation ("the Charity") is governed wholly by a Board of Trustees ("the Trustees") which has overall responsibility for the Charity's activities, management and control. Trustees also sit as Directors under Company Law and were appointed in a voluntary capacity to lend their expertise to ensure the effective management of the Charity. Trustees are not paid and any expenses and related party transactions are fully disclosed in notes 8 and 17 to these accounts.

The original trustees are the founders of the Charity and all work for Energy Aspects, the main donor to the Charity. Two trustees are not employees of Energy Aspects. None of the trustees has any beneficial interest in the charitable company. All the trustees are members of the charitable company and guarantee to contribute £1 in the event of a winding up.

The Board meets at least four times a year (every quarter) and the Charity is empowered to delegate management of the Charity to an appointed Director. The Charity's Director is usually present at Board of Trustees meetings and is in regular contact with the Chair of the Board of Trustees.

Conflict of Interest

The Charity's Director is responsible for ensuring that all transactions are compliant with our Conflict of Interest policy.¹ Trustees are required to verbally declare any conflicts of interest at all Board meetings and to submit written declarations for all funding rounds. Where a conflict with an applicant has been declared, Trustees would be expected to discuss the application, however, would not be included in any final decisions.

Risk Management

We have adopted the Charity Commission's definition of risk as 'any event that could prevent a charity achieving its aims or carrying out its strategies'. Trustees work to ensure that appropriate policies and procedures are in place to mitigate exposure to risks which might jeopardise the wellbeing of the communities we work with and EA Foundation's reputation and that of our partners.

Our Risk Management policy has been developed in direct response to the guidance provided by the Charity Commission (CC26). We ensure that our assessment of risk is guided by our capacity to continue meeting the needs of our end target communities, now and in the future.

As a funder, it is our responsibility, in addition to ensuring our own organisational sustainability, to also strongly consider relevant risks and related impact on our target communities, funded partners, staff and affiliates. The Risk Management policy provides guidance on managing organisational risk to support the achievement of our strategic objectives, protect key stakeholders, business assets and to ensure the continuation of business operations and financial sustainability. The Policy outlines a framework for the following:

- Risk governance
- Identification of risks
- Assessment of risks
- Mitigation
- Monitoring and review
- Communicating and Reporting

Financial Review

In total, our spending consisted of £846,887 in grant awards (2022: £167,426) and £59,765 on staff costs and administrative overheads (2022: £17,652).

The increase in administrative costs was mainly due to the recruitment of a Director in June 2023, and establishing new operational systems and processes to increase efficiency of our operations as we scaled up.

Despite this significant growth in grant-making and administrative costs, we were able to off-set extra costs by continuing to benefit from the skills of various staff at Energy Aspects who donate their time to support our growth in various areas including communications, finance, administration and graphic design. We acknowledge and appreciate the invaluable assistance

¹ <https://www.ea-foundation.org.uk/conflict-of-interest-statement>

provided free-of-charge. Their contributions have not been monetised in these accounts or by Energy Aspects Ltd.

Our revenue in the year totalled £212,631 (2022: £5,063,597). There is a notable difference in this year's income due to the fact that the Foundation realised significant income last year of £4.97m from the sale of some its shares in Energy Aspects, which is sufficient to fund our operations for several years.

As part of our 2022-25 strategic plan, we will continue to draw down on this income and interest generated by it to fund our grant-making and operational costs. The Board has approved a three-year budget to implement our strategic plan over this period and will be guided by our Reserves policy.

Reserves Policy

In the period of 31 December 2023, our Reserves policy states that the Charity should hold unrestricted funds sufficient to enable the award of grants up to £1.5m in 2024 and £2.6m in 2025 in addition to holding 6 months of reserves to cover operational costs for the respective years. The level of reserves might be adjusted in subsequent years, accordingly, based on any contextual considerations and projected income from the future sale of shares.

Investment Policy

Shares owned in Energy Aspects are our main source of income, along with bank interest generated on our cash reserves. The Trustees are keen to ensure long-term sustainability of the Charity and will explore the investment options which will enable us to continue meeting our objectives.

EA Foundation's Grant-making Objectives

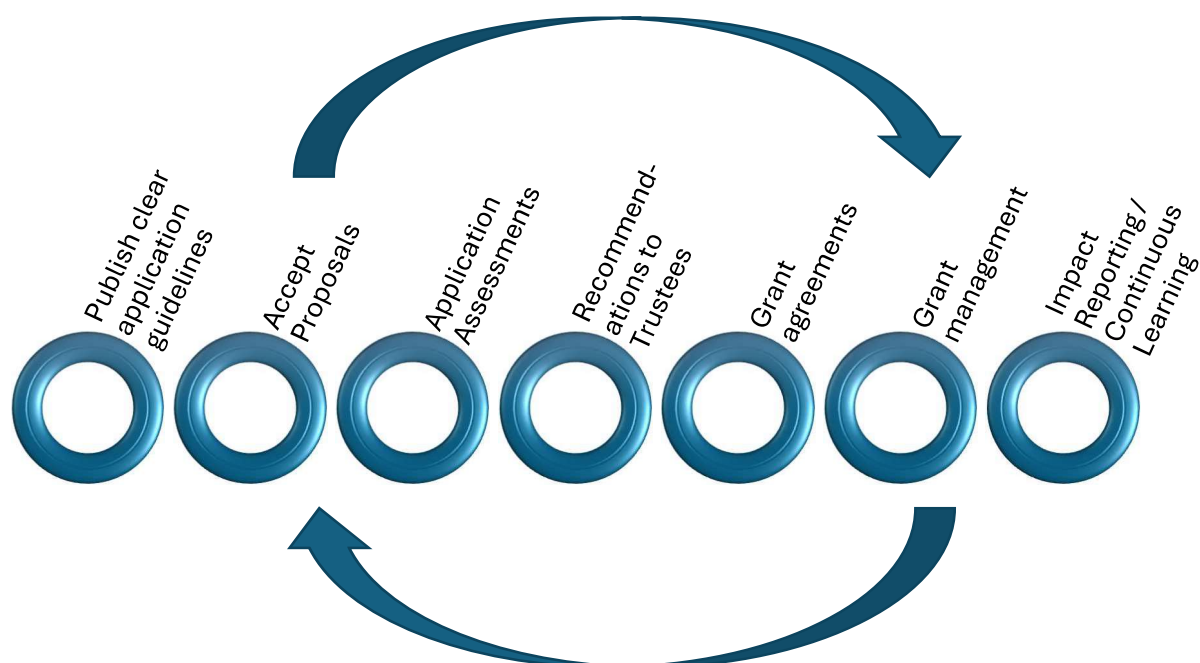
The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. We fund projects internationally which work to address issues aligned to our five strategic pillars outlined in the Key Activities below. We are open to applications from a diverse range of organisations, irrespective of turnover, especially in relation to our support of emergency response appeals.

The following types of organisations are eligible to apply for funding:

- Registered Charitable Incorporated Organisation (CIO)
- Charitable company, limited by guarantee
- Other UK Registered Charity
- Community Interest Company (CIC), limited by guarantee

We fund mainly through UK-based organisations, with closed calls for charitable organisations registered overseas. All eligible companies (as outlined above) must have an asset lock in their constitution which ensures that funds and any profit are ploughed back into the organisation.

Grant-making procedure



The diagram above shows an overview of our grant-making process. For more information on our grant-making procedure, please see our Guidance at <https://www.ea-foundation.org.uk/grant-making-guidance>

Key Activities

The Board of Trustees remains committed to our mission of providing financial support to organisations to help them address issues aligned to our 5 strategic pillars as outlined below.



Education: to provide educational opportunities, particularly for disadvantaged individuals and communities.



Basic Services: to improve access to basic services and infrastructure to disadvantaged communities, including but not limited to healthcare, clean water and electricity.



Poverty Reduction: to support people in reduced circumstances, with insufficient means, or those who are experiencing times of need thereby providing important support for the relief of poverty or other forms of disadvantage such as disability.



Environmental Sustainability: to address environmental challenges and promote sustainable development, both in its own right and through the pursuit of the other key areas of focus.



Emergency Response: The Board is committed to supporting activities which address the suffering of communities affected by conflict, health, natural disasters or other emergencies. We provide grants, by invitation only, to reputable organisations to ensure rapid and effective emergency responses to crises across the globe.

Achievements and Performance

This year, the Board set out ambitious plans to activate its commitment to our strategic pillars by investing in our operations to scale up our grant-making. Our focus over the year was on our core grant-making activities.

Highlights in 2023:

- The Board awarded **over £1m in grants;**
- This year saw our first structured open call for proposals bringing in over **500 applications** for funding;
- Over the course of the year, Trustees awarded 31 grants to 24 organisations, of which approximately 45% were to organisations new to us, resulting in a **thematic and geographic diversification** of our portfolio;

EA FOUNDATION TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

- Trustee Amrita Sen and our Communications volunteer made our first **project visit** to **India** to visit funded partners The Cycle and Sanitation First India ²;
- This year saw the recruitment of a **Director** in June to scale up our grant-making and strengthen operational infrastructure to ensure we were fit for purpose;
- To enhance our operations, we developed an **Employee Handbook** of key policies and procedures, led by our Legal Advisor;
- Strategic partnership: this year saw us establish the first multi-year partnership arrangement with The Cycle; and,
- In line with our **commitment to transparency**, we started publishing data on all grants approved on 360Giving Initiative³.

Grants

The Board approved the following Project and Emergency Response grants. Most of the projects we fund cut across two or more of our five strategic pillars and for ease of reference, the grants outlined below have been grouped according to their primary objectives:

Grants Awarded

Education

Partner	Amount	Location	Summary
AdAmi Project	£10,000	<i>Sierra Leone</i>	Working with vulnerable young mothers (aged up to 25) in Bo district, Sierra Leone, to: a) complete their education b) move towards employment
Africa Research Excellence Fund (AREF)	£23,925	<i>Africa-wide</i>	A remote programme for up to 20 post-doctoral African researchers, to strengthen skills in post-doctoral academic grant writing.
African Children's Fund	£5,700	<i>Zimbabwe</i>	Top-up funding for the primary school library hub
Consortium for Street Children	£50,000	<i>Kenya</i>	Street Connected Children and Young People (SCCYP) project in Mombasa addresses access to basic education which acts as a barrier to livelihoods off the street.
EduSpots	£44,666	<i>Ghana</i>	The Catalyse Leadership Programme aims to enable 40 community-based volunteers ('Catalysts'), to catalyse

² <https://www.ea-foundation.org.uk/experiencing-the-impact-visiting-the-sanitation-first-india-funded-project>

³ <https://grantnav.threesixtygiving.org/org/GB-CHC-1194169>

EA FOUNDATION TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

			change in their communities through their leadership of up to 40 community-owned library-education spaces.
Global Girl Project	£30,000	<i>Global Majority</i>	Providing leadership education to over 700 girls (13 - 21 years) living in some of the most marginalised communities in the Majority World (Global South).
United World Schools (UWS)	£40,554	<i>Madagascar</i>	Enabling 250+ children in two communities of the highly remote Andavadoaka region of southwest Madagascar to gain literacy, numeracy, and essential life skills through quality, inclusive primary education.
World Bike Relief	£50,000	<i>Malawi</i>	Developing a mobility ecosystem using bicycles to improve education, health and livelihoods in the Zomba, Lilongwe and Kasungu regions of Malawi.

Basic Services

Partner	Amount	Location	Summary
African Adventures Foundation	£10,000	Ghana	Addressing access to sanitation, 'Not Just a WASHroom' will see the construction of 12 new accessible latrines and six new urinals at three schools in Woe, with access to clean piped water installed.
British Refugee Council	£25,000	London	Funding for the Refugee Advice Project, supporting new refugees to access sustainable income and housing – crucial stepping stones out of poverty.
MAITS	£23,000	Pakistan	To embed and integrate lifesaving and life-changing Community Health Worker (CHW) training into the fabric of partner organisations across Pakistan.
The Cycle	£100,000	India	Strategic grant to support both organisation development and contribution towards project costs.
Women and Children First (WCF)	£23,000	Malawi, Tanzania, Uganda	to expand WCF's proven methodology of mobilising community health groups run by trained local women to bring people together to identify their most critical

EA FOUNDATION TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

			problems and find impactful, sustainable solutions
--	--	--	--

Poverty Reduction

Partner	Amount	Location	Summary
Alive and Kicking	£45,876	<i>Kenya</i>	Supporting activities which offer pathways out of poverty for refugees and their families by upskilling 30 refugees to set up their own micro enterprises producing and repairing sports balls.
East Side House	£39,115	<i>USA</i>	Fighting Food security in the Bronx, New York.
Mercy Hands Europe	£39,853	<i>Ethiopia</i>	Promoting sustainable agriculture and livelihoods initiative in the Amhara region of Ethiopia.
Mercy Hands Europe	£55,000	<i>Syria</i>	Follow-on funding: providing training and support beekeepers and farmers in the Aleppo region of Syria.
Wonder Foundation	£36,433	<i>El Salvador</i>	For the renovation of the kitchen, critical to the successful delivery of the courses and in effectively reaching thousands of marginalised women at risk.
Practical Action	£20,000	<i>Bangladesh</i>	Providing dignified employment through gathering and recycling floating waste in the Padma River, Bangladesh.
The Baytree Centre	£10,000	<i>UK</i>	Towards Sparking Futures, an employability program specifically designed to support the most marginalised young women, aged 14 to 22 years in London to overcome socio-economic barriers
The Baytree Centre	£50,000	<i>UK</i>	Sparking Futures programme: as above

Environmental Sustainability

Partner	Amount	Location	Summary
APT Action on Poverty	£20,000	<i>Uganda</i>	Funding for a skills development programme to increase the capacity for climate smart, market orientated vegetable production among South Sudanese refugees in Palabek Refugee Settlement.

EA FOUNDATION TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Feed the Minds	£48,777	<i>Madagascar</i>	Follow-on funding for the Tanjona Livelihoods and Biodiversity Project supporting 90 women in Mandrosoa in silk production
Practical Action	£49,974	<i>Zimbabwe</i>	Supporting smallholder farmers (SHF) in Gwanda District, Matabeleland Province to adapt to the effects of climate change on poverty, family food and nutrition security and household sustainable livelihood.
Vita UK (formerly New Hope)	£50,000	<i>Ethiopia</i>	To significantly impact climate change mitigation, reduce greenhouse gas emissions from household cooking, and deforestation

Emergency Response

Partner	Amount	Location	Summary
Mercy Hands Europe	£4,927	Syria	Emergency support for families in Aleppo district of Northern Syria affected by a severe earthquake, primarily in the form of cash transfers.
British Red Cross	£20,000	Syria / Turkey	Towards the earthquake crisis appeal.
British Red Cross	£50,000	<i>Africa</i>	Towards the Africa Food crisis appeal to support populations struggling for food in Eastern Africa due to severe droughts.
British Red Cross	£25,000	<i>Libya</i>	Emergency response to the floods in Libya
British Red Cross	£50,000	the Occupied Palestinian Territory / Israel	Emergency response to the humanitarian crisis in Israel and the Occupied Palestinian Territory
UK for UNHCR	£31,950	Global	Supporting UNHCR's Emergency Fund, to enable timely response to future humanitarian crises across the world.

Plans for 2024

- As part of our *Funder Plus* support to our funded partners, we plan to set up **two special funds** to support the strengthening of our partners' **Safeguarding** and **Monitoring, Evaluation and Learning (MEL)** activities;
- **Partnership working:** we will strengthen our relationships with funded partners, building on initial project grants to **strategic partnerships** and higher value grants; and,
- **Project visits:** we will endeavour to visit projects to ensure **continuous learning** and **improvement of our grant-making approach**.

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

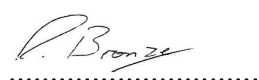
L Mortimer

J Talbot

Auditor

In accordance with the company's articles, a resolution proposing that Alliotts LLP be reappointed as auditor of the company will be put at a General Meeting.

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



R Bronze

Trustee

Date: 24/09/2024

Statement of Trustees' Responsibilities

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

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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 Companies Act 2006. 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.

EA FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EA FOUNDATION

Opinion

We have audited the financial statements of EA Foundation (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 trustees' 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 charity'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 trustees 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 trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

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

EA FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF EA FOUNDATION

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity 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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to 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 trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, the Charities Act 2011, the Charities SORP, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

EA FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF EA FOUNDATION

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Audit response to risks identified

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Meredith BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Alliotts LLP

25/09/2024

.....

Chartered Accountants
Statutory Auditor

3 London Square
Cross Lanes
Guildford
GU1 1UJ

EA FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from:			
Donations and legacies	2	-	5,045,648
Investments	3	212,631	17,949
Total income		212,631	5,063,597
Expenditure on:			
Charitable activities	5	906,652	185,078
Total expenditure		906,652	185,078
Net income/(expenditure)		(694,021)	4,878,519
Other recognised gains and losses:			
Other gains/(losses)	11	(3,042)	8,235
Net movement in funds	7	(697,063)	4,886,754
Reconciliation of funds:			
Fund balances at 1 January 2023		4,941,048	54,294
Fund balances at 31 December 2023		4,243,985	4,941,048

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

EA FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Investments	12		27,900		-
Current assets					
Debtors	13	49,350		-	
Cash at bank and in hand		4,612,213		4,951,981	
		<u>4,661,563</u>		<u>4,951,981</u>	
Creditors: amounts falling due within one year	14	<u>(445,478)</u>		<u>(10,933)</u>	
Net current assets			4,216,085		4,941,048
Total assets less current liabilities			<u>4,243,985</u>		<u>4,941,048</u>
Net assets excluding pension liability			<u>4,243,985</u>		<u>4,941,048</u>
			<u><u>4,243,985</u></u>		<u><u>4,941,048</u></u>
The funds of the charity					
Unrestricted funds			4,243,985		4,941,048
			<u>4,243,985</u>		<u>4,941,048</u>
			<u><u>4,243,985</u></u>		<u><u>4,941,048</u></u>

The financial statements were approved by the trustees on 24/09/2024



R Bronze
Trustee

Company registration number 12303342 (England and Wales)

EA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

EA Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 25 North Colonnade, London, E14 5HZ.

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 and a cash value can be established with reasonable certainty, 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 2023

1 Accounting policies

(Continued)

1.6 Fixed asset investments

Fixed asset investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in net income/(expenditure) for the year.

1.7 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.

1.8 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.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	-	82,471
Gift of shares	-	4,963,177
	-	5,045,648

EA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

3 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	212,631	17,949

4 Expenditure on charitable activities

	Charitable activities 2023 £	Charitable activities 2022 £
Direct costs		
Staff costs	36,952	-
Grants awarded	846,887	167,426
Donations	100	-
	883,939	167,426
Share of support and governance costs (see note 6)		
Support	1,085	762
Governance	21,628	16,890
	906,652	185,078
Analysis by fund		
Unrestricted funds	906,652	185,078

EA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

5 Grants payable

	2023 £	2022 £
Grants to institutions:		
Sanitation First	87,500	-
The Baytree Centre	35,000	-
Mercy Hands Europe	93,529	-
British Red Cross	145,000	87,500
United World Schools	36,499	37,726
African Children's Fund	5,700	22,200
AdAmi Project	9,000	-
Africa Research Excellence Fund	21,533	-
African Adventures Foundation	5,000	-
Alive and Kicking	41,288	-
APT Action on Poverty	10,000	-
British Refugee Council	22,500	-
Consortium for Street Children	25,000	-
EduSpots	22,333	-
Feed the Minds	24,388	20,000
Global Girl Project	27,000	-
MAITS	11,500	-
Practical Action	64,977	-
UK for UNHCR	10,650	-
Vita UK	45,000	-
Women and Children First	20,700	-
Wonder Foundation	32,790	-
World Bicycle Relief	50,000	-
	<u>846,887</u>	<u>167,426</u>

6 Support costs allocated to activities

	2023 £	2022 £
Bank charges	100	157
Website and admin expenses	758	605
Insurance	99	-
Telephone	128	-
Governance costs	21,628	16,890
	<u>22,713</u>	<u>17,652</u>
Analysed between:		
Charitable activities	<u>22,713</u>	<u>17,652</u>

Governance costs includes payments to the auditors for the audit of £8,100 (2022: £8,100).

EA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

7	Net movement in funds	2023	2022
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Fees payable for the audit of the charity's financial statements	8,100	8,100
		<u> </u>	<u> </u>

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

9	Employees		
	The average monthly number of employees during the year was:		
		2023	2022
		Number	Number
		1	-
	Employment costs	2023	2022
		£	£
	Wages and salaries	36,000	-
	Other pension costs	952	-
		36,952	-

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

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2023	2022
	£	£
Aggregate compensation	33,272	-
	<u> </u>	<u> </u>

10	Taxation
	The charity 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.

EA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

11 Other gains and losses

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) upon:		
Foreign exchange	3,042	(8,235)

12 Fixed asset investments

	Other investments £
Cost or valuation	
At 1 January 2023	-
Additions	27,900
At 31 December 2023	27,900
Carrying amount	
At 31 December 2023	27,900
At 31 December 2022	-

13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	49,350	-

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	119	564
Accruals and deferred income	445,359	10,369
	445,478	10,933

15 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	952	-

EA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

15 Retirement benefit schemes

(Continued)

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

16 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
General funds	4,941,048	212,631	(906,652)	(3,042)	4,243,985
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	Gains and losses	At 31 December 2022
	£	£	£	£	£
General funds	54,294	5,063,597	(185,078)	8,235	4,941,048
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

17 Related party transactions

During the year, the charity acquired an additional shareholding valued at £27,900 in a class of shares of EA Group Holdings Ltd, which are recorded at purchase cost. The charity also holds a minor shareholding in EA Group Holdings Ltd that was previously gifted to it, for which the trustees were not able to establish a value. EA Group Holdings Ltd is the ultimate parent of Energy Aspects Ltd, which is currently the source of all donations to the charity.

As detailed in the Trustees' Report, four of the trustees are employees of Energy Aspects Ltd.