

COOPERATIVE AI FOUNDATION
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



COOPERATIVE AI FOUNDATION
(A company limited by guarantee)

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COOPERATIVE AI FOUNDATION
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Trustees	A Dafoe, Chair (until 14th May 2025) D Amodei (resigned 1 March 2025) R Donnelly (resigned 6 June 2025) G Hadfield, Chair (from 15th May 2025) E Horvitz A Tang (appointed 15 May 2025) J Clifton (appointed 6 June 2025)
Company registered number	13485176
Charity registered number	1201294
Registered office	Courtenay House Pynes Hill Exeter EX2 5AZ
Key management personnel	L Hammond (Research Director) D Norman (Managing Director) M Virgo (People and Operations Manager)
Independent auditors	Griffin Chartered Accountants Courtenay House Pynes Hill Exeter EX2 5AZ

COOPERATIVE AI FOUNDATION
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 January 2024 to 31 December 2024. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The Cooperative AI Foundation's (henceforth, "CAIF") charitable objectives are as follows:

1. To advance education and research for the public benefit, in particular (but not exclusively) by promoting and supporting research into artificial intelligence ("AI") and related fields, with a focus on cooperative intelligence in the context of AI systems, and to disseminate the useful results of such research.
2. To promote the preservation and protection of the safety and health of the public by promoting the use, development and regulation of AI systems in ways that are safe for the public.

"Cooperative intelligence" refers to methods for achieving or enhancing cooperation (with other AI systems and/or with people).

b. Vision

Everything humankind has achieved has been built through cooperation. What sets us apart from other species is not just intelligence, but cooperative intelligence. Our agriculture, our medicine, our infrastructure, our social institutions, our digital technologies all arise through cooperation, and take cooperation to new levels. At the same time, many of the world's problems, such as war and climate change, are rooted in cooperation failure.

Cooperative AI is the study and development of cooperative intelligence in advanced AI systems. With rapid advances in AI, people are already beginning to work with AI systems to accomplish goals that were formerly the work of human teams. Yet systematic work on cooperation between AI agents, and between AI and people, is still in its infancy.

CAIF's vision is of a future in which humanity has a strong understanding of cooperative intelligence as it applies to AI systems. This understanding is put into practice, so that AI systems improve our collective ability to overcome cooperative challenges and we avoid the worst cooperation failures involving AI. Cooperative AI becomes a large, diverse, and thriving research field, central to the creation, deployment, and governance of AI systems. CAIF serves this field as a hub, enabling the research community to better address the most important problems. Cooperative AI anticipates, and is compatible with, the advent of AI systems that surpass human intelligence, contributing to a flourishing future for all.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Objectives and activities (continued)

c. Strategy

We aim to achieve this vision by supporting research and practice that has the potential to improve the cooperative intelligence of advanced AI for the benefit of all.

We believe the following pathways will give CAIF the greatest chance of making a difference. They inform our choice of strategic priorities and our work plan.

1. Pathways to strengthen capacity in cooperative AI:
 - Fund research directly. Priorities for progress in the field are still in formation, so we will continually update our focus areas and potentially support a broad portfolio of research approaches.
 - Connect leading researchers in the field through hosting events at major AI conferences and through running a summer retreat.
 - Support early career researchers in the field through our summer school and through a programme offering mentorship and financial support.
 - Help steer new talent into the field, e.g. through promotion of our cooperative AI curriculum.
2. Pathways to strengthen foundations of the field:
 - Produce research aiming to set out a base for others to build on in fundamental areas such as failure modes or approaches to evaluation of cooperative AI.
 - Help reach agreement on the most important open research questions, and set out research roadmaps defining the steps needed to make progress.
 - Produce and host core content for the field (such as definitions, bibliographies, curricula, and summaries for decision-makers).
 - Identify opportunities for how cooperative AI should build on work in other disciplines.
3. Pathways to strengthen influence:
 - Engage in targeted policy processes to establish the relevance of cooperative AI and to bring in experts from our field to contribute to policy development.
 - Similarly engage with top AI labs, in both leading companies and academia, to create opportunities for cooperative AI insights to inform their work.
 - Demonstrate the value of cooperative AI perspectives for the broader AI safety community and set out implications for evaluations and policy positions.
 - Partner with other funders to support the field, enabling funders to see the relevance of cooperative AI for their funding priorities.

d. 2024 Goals

1. Fund priority research production and application
2. Strengthen the cooperative AI community
3. Increase cooperative AI influence in AI governance and safety
4. Produce and disseminate influential research
5. Strengthen CAIF's team and processes

These goals all contribute directly to CAIF's first organisational objective (advancing education and research in cooperative AI). They also lay the foundations for CAIF's second organisational objective (preserving and protecting the safety and health of the public in relation to AI systems) through building the field of cooperative AI, with a focus on the field's contributions to AI safety and the application of research to enable this.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Objectives and activities (continued)

e. Activities undertaken to achieve objectives

Support for junior researchers entering the field

Summer School

CAIF summer schools are educational in-person events lasting four days, targeting junior researchers who are relatively new to the field of cooperative AI. The 2024 event was held in Santa Cruz, California. Most of the 46 attendees were students who had just started, or hoped to soon start, a PhD in a related topic.

One of the main goals was to build the knowledge and skills of early career researchers focused on cooperative AI. Another aim was to produce educational resources and raise CAIF's profile as a resource hub for cooperative AI: we recorded and uploaded lectures to the CAIF YouTube channel.

PhD fellowship

Our first PhD fellowship was launched in the autumn of 2024. The main motivation for the program is to support junior researchers who wish to focus on cooperative AI during their PhD; a secondary aim is to increase CAIF's visibility to prospective students and supervisors.

We received 150 applications. In the initial assessment stage, 30% of the applications were found to be relevant and high-quality. 16 applicants were eventually offered fellowship positions, eight with our full funding package ('scholars') and eight others for whom we provide other benefits as part of the fellowship programme ('affiliates').

Grantmaking, research, and other field-building

Grantmaking

In 2024, a new grant process was launched with the purpose of increasing the efficiency and rigour of the evaluation process, with a particular focus on shortening the time from application to decision making and providing applicants with multiple opportunities for submission over the year. Over four deadlines from January to October, we received a little more than 350 applications, of which three were funded at a total value of £657,000. We also have pending revision requests for two additional projects (for approximately an additional £170,000). Based on learnings from the cohort of 2024, we have made significant updates to CAIF's grant program, outlined below under *Future Plans*.

Concordia Contest

Contests have long been a driving force behind AI progress. In the autumn of 2024, CAIF organised the Concordia Contest as part of NeurIPS 2024. This contest challenged participants to advance the cooperative intelligence of language model agents in rich, text-based environments based on the recently released Concordia framework, which uses language models to create open-ended worlds similar to tabletop role-playing games.

The primary goal of the competition was to build a community of researchers interested in working on cooperation among language models. A secondary goal was that participants would design and build agents that demonstrate cooperation in complex scenarios. The contest generated 878 submissions from 197 participants, out of which 15 performed better than the highest baseline agent. A full report will be submitted to NeurIPS 2025 Benchmarks and Datasets.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Objectives and activities (continued)

Cooperative AI Retreat

The CAIF summer retreats are in-person events lasting for about three days, aimed at senior researchers in cooperative AI. The invited participants are selected based on the specific aims of the retreat, which change each year. As with the Summer School, we alternate the location of the retreat between the US and Europe. In 2024 the retreat was held in Santa Cruz, California, with 38 participants.

Feedback from attendees was overwhelmingly positive in our post-event survey, with a majority of respondents reporting that the retreat had seeded new projects or collaborations. A clear majority also reported that the retreat had helped them to clarify their research priorities.

Communication and policy engagement

Cooperative AI curriculum

In 2024 CAIF established an online on cooperative AI, with the aim of offering an accessible introduction to the field. Parts of the curriculum were used as preparatory material for the summer school, and a smaller introductory section was used by Impact Academy India for a module on Cooperative AI in their AI Safety Careers Course. In the future we plan to support others running in-person reading groups or courses based on the curriculum in different parts of the world.

EU Code of Practice engagement

During 2024, CAIF joined the consultation process for the EU AI Act Code of Practice. We presented an abbreviated version of our draft Multi-Agent Risks report and we were accepted as participants in the co-drafting process in the working groups on risk taxonomy and risk mitigation. A majority of our additions introducing multi-agents risks to the risk taxonomy were incorporated in subsequent iterations of the Code of Practice, and we see the perspectives on multi-agent risks raised by CAIF increasingly recognised in multi-stakeholder discussions.

Activity	Status (On 31 Dec 2024)	Goal(s)
Run a cooperative AI summer school	Complete	2
Create a PhD fellowships program	Complete	2
Launch a new grant process with multiple opportunities for submissions in 2024	Complete	1
Publish research report on multi-agent risks from advanced AI	In progress (to be launched in early 2025)	4
Run the Concordia cooperative AI contest	Complete	2, 4
Run a Cooperative AI retreat	Complete	2
Establish an online cooperative AI curriculum	Complete	2
Establish the relevance of multi-agent risks within the EU Code of Practice process	Complete	3
Recruit a Grants and Events Officer and a Policy and Partnerships Manager	Complete	5
Recruit new CAIF board members	In Progress	5
Published new CAIF strategy	Complete	5

f. Volunteers

CAIF solicited expert volunteer advice from senior researchers when reviewing grant applications, and our Board members are all volunteers. Otherwise we did not work with a significant number of volunteers during 2024.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Achievements and performance

a. Main achievements of the Company

CAIF's major milestones in 2024:

- Hosted our second Summer School with 46 attendees. 74% reported it increased their motivation to pursue careers in cooperative AI.
- Launched our PhD fellowship program, selecting 16 fellows from 150 applications.
- Awarded new grants totaling £657,000 and revamped our grant program.
- Organised a Summer Retreat for senior researchers in Santa Cruz, where a majority of participants stated that the event seeded new collaborations and helped clarify their research priorities.
- Ran the successful Concordia Contest at NeurIPS 2024, which attracted 197 participants and 878 submissions.
- Developed an online curriculum to make cooperative AI concepts more accessible.
- Engaged productively with the multi-stakeholder consultation for the EU AI Act Code of Practice, advocating for the inclusion of multi-agent risk perspectives.
- Recruited and onboarded CAIF's Grants and Events Officer, and Policy and Partnerships Manager.
- Secured income of \$3.0 million as the 2024 tranche within a four year commitment of \$11.4 million from Macroscopic Ventures.

b. Measuring success

The field of cooperative AI is still at an early stage of development in 2024. CAIF's theory of change leads to activities aiming for impacts that in most cases will take years to realise, so our reporting at this point is primarily focused on assessing short-term execution success rather than long-term impact.

For example, the success of our cooperative AI retreat and summer school encompasses the smooth running of the events, the productivity of the discussions, and contributions to strengthening our field. We track these through participant surveys (covering subjective experience as well as outcomes of the events) and through review meetings.

Our first impact report, to be published early in 2025, will begin the process of more systematically tracking and publishing our delivery performance and outcomes against expectations from year to year. It will also document our learning on what is most effective, clarifying how we intend to apply our learning in our future work.

c. Investment policy and performance

CAIF's reserves are held in cash. We do not currently invest in interest bearing accounts or make other investments to generate income.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Achievements and performance (continued)

d. Future plans

i. Fund Priority Research Production and Application

Based on learnings from the cohort of 2024, we have made significant updates to CAIF's grant program, which are discussed in detail on our website. The main changes are that the scope description and application guidelines have been made more specific and that we will adopt a two-stage process in 2025, where only the top applicants will be selected to submit a full proposal. We are also introducing an early-career grants track. Our ambition with these changes is to increase the quantity and impact of funded proposals in upcoming years, while also decreasing the overall burden on applicants.

ii. Strengthen the Cooperative AI Community

CAIF will contribute to setting an agenda for the field through our research, and we will complement this by convening conversations among the field's leaders to reach agreement on theories of change, priority open questions, and research roadmaps to define pathways for making progress. To support this agenda setting and help make other connections across the field, we will host a further retreat for leading researchers in cooperative AI in the UK in the summer of 2025.

We will also strengthen our work on increasing the flow of new research talent into cooperative AI. We will run our summer school in the UK in 2025, and will make resources from this available to people not able to attend in person. We will work with other organisations to develop and run courses on cooperative AI, based on our curriculum, including in regions with growing pools of talent in AI outside Europe and North America.

iii. Increase Cooperative AI Influence in AI Governance and Safety

CAIF will expand our work to bring insights from cooperative AI to inform decision-making in governments and in major tech companies. We will continue to engage with AI plans and prospective regulation in the EU, UK, and US. We will increase our engagement with leading intergovernmental, research, and civil society organisations exploring the implications of a world with increasingly advanced AI systems. We will also look at CAIF's potential niche in contributing to a growing global community working on applications of AI to strengthen democratic participation and deliberative decision-making.

iv. Produce and Disseminate Influential Research

In 2024, we completed much of the work on a flagship report on "Multi-Agent Risks from Advanced AI" and will launch this early in 2025. The report will be a broad reference for the field, accessible to both researchers and policymakers. It aims to establish the relevance of multi-agent risks for those with broader concerns; clarify why these risks are different from well-studied problems in single-agent settings; and outline potential pathways forward for the field and for related policy areas. In 2025 we plan to undertake further work on multi-agent evaluations and benchmarks. We will also submit a report on the Concordia Contest to NeurIPS 2025 Benchmarks and Datasets.

v. Strengthen CAIF's Team and Processes

We will bring CAIF's board together in person in 2025 to shape CAIF's new strategy. We also plan to recruit at least one new trustee to further broaden the range of experience within CAIF's board. We will expand our research team, recruiting two new research analysts to increase our capacity for direct research and for research contributions to policy and other content. We will also recruit a Communications Officer to increase our external engagement and raise the profile of cooperative AI research.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Financial review

a. Going concern

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

b. Reserves policy

Cooperative AI Foundation aims to hold a minimum of 3 months' of general operating costs at any time which is approximately £150,000. On 31 December 2024, the Charity is holding £2,720,897 of unrestricted cash funds, which is adequate to meet this policy.

c. Financial statement

The Statement of Financial Activities shows total income received for the period to 31 December 2024 of £2,368,177 (2023: £1,970,726) with total expenditure for the year of £1,731,887 (2023: £2,345,257), to generate a surplus of £636,290 (2023: £374,531 deficit). Therefore, the charity has closing reserves of £2,720,897 (2023: £2,084,607) which is way in excess of its reserve policy.

Structure, governance and management

a. Constitution

Cooperative AI Foundation is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

b. Methods of appointment or election of Trustees

The management of the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Organisational structure and decision-making policies

Under CAIF's scheme of delegation, trustees set overall strategic direction, appoint members of the Executive Team, approve the main organisational policies, and make spending decisions above £200,000. Implementation of the strategic plan and day to day management are delegated to the Executive Team, currently comprising the Managing Director and Research Director, who jointly lead CAIF's staff team. A Grantmaking Committee (including external advisors) makes recommendations to trustees for approval or rejection of grant applications; the final decision on grants is made by trustees where a prospective grant exceeds £50,000, or by the Executive Team for grants of less than £50,000.

d. Policies adopted for the induction and training of Trustees

CAIF currently has no process for induction and training of trustees. We plan to recruit new board members in 2025, and induction and role expectations will be in place before new trustees start.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Structure, governance and management (continued)

e. Pay policy for key management personnel

CAIF's compensation policy aims to ensure that we can attract and retain good team members regardless of where they live; that we value and reward positive impact; and that our broad salary bands keep up with inflation. Trustees set the salary of Executive Team members; other team members' salary is set annually by the Executive Team in line with the compensation policy.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

COOPERATIVE AI FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Auditors

The auditors, Griffin, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on
07/29/2025 and signed on their behalf by:

Gillian Hadfield

G Hadfield
Chair of Trustees

COOPERATIVE AI FOUNDATION
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COOPERATIVE AI FOUNDATION

Opinion

We have audited the financial statements of Cooperative AI Foundation (the 'charitable company') for the year ended 31 December 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of 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 2024 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 Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

COOPERATIVE AI FOUNDATION
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COOPERATIVE AI FOUNDATION
(CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COOPERATIVE AI FOUNDATION
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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:

Our audit procedures have reviewed for evidence of management override, any ongoing legal cases, completeness of related party transactions, as well as an ongoing consideration of fraud and irregularities during the whole audit process.

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

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COOPERATIVE AI FOUNDATION
(CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Laura Waycott FCA (Senior statutory auditor)

for and on behalf of Griffin

Courtenay House

Pynes Hill

Exeter

EX2 5AZ

Date: 10/8/25

Griffin are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

COOPERATIVE AI FOUNDATION
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:				
Donations and legacies	4	2,360,012	2,360,012	1,948,409
Charitable activities	5	8,165	8,165	22,317
Total income		2,368,177	2,368,177	1,970,726
Expenditure on:				
Charitable activities	7	1,731,887	1,731,887	2,345,257
Total expenditure		1,731,887	1,731,887	2,345,257
Net movement in funds		636,290	636,290	(374,531)
Reconciliation of funds:				
Total funds brought forward		2,084,607	2,084,607	2,459,138
Net movement in funds		636,290	636,290	(374,531)
Total funds carried forward		2,720,897	2,720,897	2,084,607

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

The notes on pages 19 to 33 form part of these financial statements.

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REGISTERED NUMBER: 13485176

BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	11	3,358	2,554
		<u>3,358</u>	<u>2,554</u>
Current assets			
Debtors	12	41,388	15,429
Cash at bank and in hand		3,964,133	3,605,905
		<u>4,005,521</u>	<u>3,621,334</u>
Creditors: amounts falling due within one year	13	(1,287,982)	(1,539,281)
Net current assets		<u>2,717,539</u>	<u>2,082,053</u>
Total assets less current liabilities		<u>2,720,897</u>	<u>2,084,607</u>
Net assets excluding pension asset		<u>2,720,897</u>	<u>2,084,607</u>
Total net assets		<u><u>2,720,897</u></u>	<u><u>2,084,607</u></u>
Charity funds			
Restricted funds		-	-
Unrestricted funds		2,720,897	2,084,607
Total funds		<u><u>2,720,897</u></u>	<u><u>2,084,607</u></u>

COOPERATIVE AI FOUNDATION
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BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Trustees on
07/29/2025 and signed on their behalf by:

Gillian Hadfield

G Hadfield
Chair of Trustees

The notes on pages 19 to 33 form part of these financial statements.

COOPERATIVE AI FOUNDATION
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities	360,688	3,407,183
Cash flows from investing activities		
Purchase of tangible fixed assets	(2,460)	(2,714)
Net cash used in investing activities	(2,460)	(2,714)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	358,228	3,404,469
Cash and cash equivalents at the beginning of the year	3,605,905	201,436
Cash and cash equivalents at the end of the year	3,964,133	3,605,905

The notes on pages 19 to 33 form part of these financial statements

COOPERATIVE AI FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information

Cooperative AI Foundation is a Charitable Company registered in England and Wales, registration number 13485176. The registered office is Courtenay House, Pynes Hill, Exeter, EX2 5AZ.

2. Accounting policies

2.1 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 Companies Act 2006.

Cooperative AI 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.

2.2 Going concern

The directors confirm that, having considered their expectations and intentions for the next twelve months, and the availability of working capital, the company is a going concern.

2.3 Income

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 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 allocated on the portion of the asset's use.

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

COOPERATIVE AI FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.4 Expenditure (continued)

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.

All expenditure is inclusive of irrecoverable VAT.

2.5 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.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £100 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	25% straight-line
Computer equipment	-	25% straight-line

2.7 Debtors

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

2.8 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.

COOPERATIVE AI FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.9 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 Company 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.

2.10 Financial instruments

The Company 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.

2.11 Pensions

The Company operates a defined benefits pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.12 Fund accounting

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

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There were no estimates or assumptions that we considered to be significant.

COOPERATIVE AI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

4. Income from donations and legacies

	Unrestricted funds 2024 £	Total funds 2024 £
Grants	2,360,012	2,360,012
	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Grants	1,948,409	1,948,409

5. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £
Event funding	7,038	7,038
Other income	1,127	1,127
	8,165	8,165
	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Event funding	21,393	21,393
Other income	924	924
	22,317	22,317

COOPERATIVE AI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

6. Analysis of grants

	Grants to Institutions 2024 £	Grants to Individuals 2024 £	Total funds 2024 £
Grant disbursements	750,096	278,142	1,028,238
	<i>Grants to Institutions 2023 £</i>	<i>Grants to Individuals 2023 £</i>	<i>Total funds 2023 £</i>
Grant disbursements	1,801,577	10,000	1,811,577

During the year ended 31 December 2024, the following grant disbursements were made:

1. £278,142 for PhD Fellowships
2. £706 to support conference attendance
3. £1,495 to MLChallenges
4. £14,533 to Principles of Intelligent Behaviour in Biological and Social Systems
5. £169,401 to Harvard University
6. £276,001 to University of Michigan
7. £233,416 to University of Washington
8. £54,544 to MATS Research Inc

7. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £
Charitable activities	683,843	1,028,238	19,806	1,731,887

COOPERATIVE AI FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

7. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2023 £</i>	<i>Grant funding of activities 2023 £</i>	<i>Support costs 2023 £</i>	<i>Total funds 2023 £</i>
Charitable activities	<u>354,771</u>	<u>1,811,577</u>	<u>178,909</u>	<u>2,345,257</u>

COOPERATIVE AI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2024 £	Total funds 2024 £
Staff costs	381,545	381,545
Events	249,931	249,931
Grantmaking	2,730	2,730
Consulting	49,637	49,637
	683,843	683,843
	<i>Activities 2023 £</i>	<i>Total funds 2023 £</i>
Staff costs	165,473	165,473
Events	148,313	148,313
Grantmaking	40,985	40,985
	354,771	354,771

COOPERATIVE AI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2024 £	Total funds 2024 £
Depreciation	1,138	1,138
Recruitment costs	2,672	2,672
Advertising and marketing	2,066	2,066
IT costs	9,374	9,374
Accountancy	8,761	8,761
Insurance	5,165	5,165
(Gain)/loss of foreign transactions	(38,918)	(38,918)
Travel and subsistence	22,114	22,114
Other staff costs & Entertainment	4,505	4,505
Office costs	631	631
Legal and professional fees	749	749
(Profit)/loss on sale of tangible assets	518	518
Governance costs	1,031	1,031
	19,806	19,806

COOPERATIVE AI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Activities 2023 £</i>	<i>Total funds 2023 £</i>
Depreciation	938	938
Recruitment costs	17,956	17,956
Advertising and marketing	1,136	1,136
IT costs	8,809	8,809
Accountancy	6,917	6,917
Insurance	1,195	1,195
(Gain)/loss of foreign transactions	75,637	75,637
Travel and subsistence	5,416	5,416
Other staff costs & Entertainment	4,820	4,820
Office costs	597	597
Legal and professional fees	49,818	49,818
Governance costs	5,670	5,670
	<u>178,909</u>	<u>178,909</u>

8. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £5,670 (2023 - £5,670).

9. Staff costs

	2024 £	2023 £
Wages and salaries	300,805	148,995
Social security costs	36,459	8,472
Contribution to defined contribution pension schemes	44,281	8,006
	<u>381,545</u>	<u>165,473</u>

COOPERATIVE AI FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

9. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	2024	<i>2023</i>
	No.	<i>No.</i>
Average number of employees	6	<i>5</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	<i>2023</i>
	No.	<i>No.</i>
In the band £90,001 - £100,000	1	<i>-</i>

The total employee benefits, including employers pension costs, of the key management personnel of the charity were £192,898 (2023 - £122,372).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 December 2024, no Trustee expenses have been incurred (2023 - £NIL).

COOPERATIVE AI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

11. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2024	-	3,752	3,752
Additions	224	2,236	2,460
Disposals	-	(1,038)	(1,038)
At 31 December 2024	<u>224</u>	<u>4,950</u>	<u>5,174</u>
Depreciation			
At 1 January 2024	-	1,198	1,198
Charge for the year	56	1,082	1,138
On disposals	-	(520)	(520)
At 31 December 2024	<u>56</u>	<u>1,760</u>	<u>1,816</u>
Net book value			
At 31 December 2024	<u>168</u>	<u>3,190</u>	<u>3,358</u>
At 31 December 2023	<u>-</u>	<u>2,554</u>	<u>2,554</u>

12. Debtors

	2024 £	2023 £
Due within one year		
Other debtors	-	28
Prepayments and accrued income	41,388	15,401
	<u>41,388</u>	<u>15,429</u>

COOPERATIVE AI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

13. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	20,796	5,727
Pension fund loan payable	7,941	8,118
Accruals and deferred income	1,259,245	1,525,436
	<u>1,287,982</u>	<u>1,539,281</u>

14. Summary of funds

Summary of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Balance at 31 December 2024 £
General funds	<u>2,084,607</u>	<u>2,368,177</u>	<u>(1,731,887)</u>	<u>2,720,897</u>

Summary of funds - prior year

	<i>Balance at 1 January 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 December 2023 £</i>
General funds	<u>2,459,138</u>	<u>1,970,726</u>	<u>(2,345,257)</u>	<u>2,084,607</u>

COOPERATIVE AI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

15. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	3,358	3,358
Current assets	4,005,521	4,005,521
Creditors due within one year	(1,287,982)	(1,287,982)
Total	<u>2,720,897</u>	<u>2,720,897</u>

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	2,554	2,554
Current assets	3,621,334	3,621,334
Creditors due within one year	(1,539,281)	(1,539,281)
Total	<u>2,084,607</u>	<u>2,084,607</u>

COOPERATIVE AI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	636,290	(374,531)
Adjustments for:		
Depreciation charges	1,138	938
Loss on the sale of fixed assets	518	-
Decrease/(increase) in debtors	(25,959)	2,248,055
Increase/(decrease) in creditors	(251,299)	1,532,721
Net cash provided by operating activities	360,688	3,407,183

17. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	3,964,133	3,605,905
Total cash and cash equivalents	3,964,133	3,605,905

18. Analysis of changes in net debt

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	3,605,905	358,228	3,964,133
	3,605,905	358,228	3,964,133

COOPERATIVE AI FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

19. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £44,281 (2023 - £8,006) and £3,917 (2023 - £4,635) were payable to the fund at the balance sheet date and are included in creditors.

20. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 December 2024.