Charity number: 1212323

ARCADIA IMPACT

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

ARCADIA IMPACT

CONTENTS

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 10
Independent auditor's report on the financial statements	11 - 14
Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Notes to the financial statements	18 - 34
The following pages do not form part of the statutory financial statements:	
Charity Detailed income and expenditure account and summaries	

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 SEPTEMBER 2025

Trustees	Adam Jones, Trustee (appointed 27 February 2025) Jorgen Ljones, Trustee (appointed 27 February 2025) Zuzana Sperlova, Trustee (appointed 27 February 2025) Conrad J K Kunadu, Trustee (appointed 27 February 2025)
Leadership	Joseph Hardie Erin Robertson
Charity name	Arcadia Impact
Registered charity number	1212323
Principal office	5th Floor 34 -35 Hatton Garden London EC1N 8DX
Independent auditor	Crowe U.K. LLP Chartered Accountants 3rd floor St George's House 56 Peter Street Manchester M2 3NQ
Bankers	Wise Payments Limited 1st Floor, Worship Square, 65 Clifton Street London, EC2A 4JE United Kingdom Unity Trust Bank plc Four Brindleyplace Birmingham B1 2JB

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2025

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 October 2024 to 30 September 2025. The Charity has adopted the provisions of 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).

I. Objectives and Activities

Purpose

Arcadia Impact is a Charitable Incorporated Organisation that exists to empower individuals and organisations to address the world's most pressing global issues, with a focus on Artificial Intelligence safety. We work to build a robust talent pipeline, support impactful research, and provide community infrastructure for those committed to ensuring that the development of advanced AI benefits humanity.

We pursue this mission through talent development in both technical AI safety and AI governance, research initiatives, and the operation of community infrastructure that supports charitable communities and organisations.

Charitable Objects

The objects of the CIO are, for the public benefit:

1. To advance the education of the public in the field of catastrophic and/or global risk (including but not limited to human health, poverty, animal welfare and emerging technological risk), in particular in identifying and managing such risks and in particular in risks posed from artificial intelligence. This will be achieved by:
    a. providing and supporting educational programmes and workshops; and
    b. supporting research in these fields and disseminating its findings to the general public.

2. The promotion of the effective use of resources for charitable purposes by charitable and non-charitable bodies working to advance the education of the public as outlined in the clause above in particular but not exclusively by:
    a. providing free or low cost co-working spaces and other services to charities, voluntary and non-profit organisations aimed at increasing their productivity, efficiency and where they are encouraged to share relevant advice, ideas and research, promote coordination and where they are supported to identify gaps and opportunities in their charitable activities;
    b. providing information and advice to the public on establishing charities and other voluntary organisations through which the furtherance of charitable purposes can be achieved.

Charity Conversion

Arcadia Impact was established following the conversion of Arcadia Impact CIC (company number 14362810), a community interest company, into a Charitable Incorporated Organisation. The conversion was carried out under the Charitable Incorporated Organisations (Conversion) Regulations by special resolution of the members, and took effect on 27 February 2025, when the Charity Commission registered the charity and the community interest company's registration was closed at Companies House. On conversion, the organisation also changed its name from Arcadia Impact CIC to Arcadia Impact.

The charity is the continuation of the same organisation in a different legal form, and its assets, liabilities, activities and undertakings continued uninterrupted through the conversion. Accordingly, the financial statements are prepared for the full financial year from 1st October 2024 to 30th September 2025, covering the organisation's activities both before and after conversion. The trustees consider that this presentation gives a true and fair view of the organisation's activities and financial position for the year and reflects the continuity of its work through the change of legal form.

The income and expenditure reported in the charity's Annual Return to the Charity Commission covers only the period from 27 February 2025 to 30th September 2025. The Annual Return figures therefore differ from the full-

year figures presented in these financial statements.

Arcadia Impact converted from a Community Interest Company to a Charitable Incorporated Organisation on 27 February 2025. The transfer has been accounted for as a charity reconstruction using merger accounting in accordance with the Charities SORP (FRS 102), as the charity's activities, objectives and beneficiaries remained unchanged following the conversion.

Main Activities

During the year, the charity carried out a range of activities in furtherance of its charitable objects. These can be grouped into the following programmes.

LASR Labs
LASR Labs is a 13-week residential research programme that enables exceptional talent to produce impactful research and transition into careers in technical AI safety. Participants work in small teams under the supervision of experienced AI safety researchers to produce academic-style research papers. The programme provides participants with mentorship, financial support, and access to research infrastructure. During the year, we completed the Spring 2025 cohort and began the Summer 2025 cohort with 33 participants in total.

AI Governance Taskforce
The AI Governance Taskforce is a part-time, remote research programme that supports professionals from various backgrounds including law, policy, and the social sciences, to contribute to AI governance research through structured, mentor-led projects. During the year, we ran a pilot programme from October to December 2024, with 11 remote participants split into two teams, both focused on safety cases for frontier AI. In May 2025, we hired Ben R Smith to lead the programme and secured a grant to further scale the programme. In September we launched our Autumn 2025 cohort of the taskforce with 16 participants and 4 research team leads to support the teams.

Impact Research Groups and Student Groups
Our flagship student programme, Impact Research Groups (IRG), is an eight-week research programme that pairs students with expert mentors to produce research projects in technical AI safety, AI governance, biosecurity, global health, and animal welfare. Alongside this, we work with student groups at leading London universities, including Imperial College London, University College London, the London School of Economics, King's College London, and Northeastern University London, providing funding and mentorship.

Orion AI Governance Initiative
Orion is a talent development project for AI policy and governance careers. Through Orion, we run the AI Policy Accelerator course, group research projects, a mentorship scheme, and a paid internship placement with think tanks and AI governance organisations. During the year, we launched all three components and received 444 applications, accepting 57 participants in total.

LEAH Office
The LEAH Office, now named the Impact First coworking office, is a 35-desk co-working space in central London that supports individuals and organisations working on the world's most pressing problems. It serves as our team's primary office, a venue for our programmes and events, and a community hub for the broader effective altruism and AI safety ecosystem in London.

AI Safety Engineering Taskforce
The AI Safety Engineering Taskforce (ASET) helps technical professionals transition into AI safety through paid project-based work with partner organisations. During the year, we worked with the UK AI Security Institute (AISI) to support software engineers in contributing to the Inspect Evals open-source benchmark repository and in building evaluations through the AISI bounty programme.

Public benefit statement

The beneficiaries of our work are ultimately the public at large and the voluntary sector, who benefit from the

increased number of motivated individuals equipped to address pressing global problems and charities and voluntary organisations are made more effective. Our programmes serve students and young and mid-career professionals making career decisions, and support research in areas including AI safety and governance to advance public understanding of the risks posed by AI. Our coworking office supports researchers and charitable organisations working on issues including global health, extreme poverty, animal welfare, and risks from emerging technologies.

We carry out our charitable objects through educational programmes, research training, networking events, and the provision of co-working space. Our research and educational programmes train participants to contribute to fields, primarily AI safety, where further work is widely recognised as needed, and the resulting research is disseminated freely through our website and other public channels for the benefit of both the public and the voluntary sector. By connecting motivated, qualified individuals with the voluntary sector and by bringing together those already working within it, we strengthen the sector's effectiveness and coordination.

Our activities are designed to be open to all. Our educational programmes are offered free of charge or are paid opportunities, with accessibility adjustments made where necessary. Access to our coworking space is usually discounted or free for users and organisations whose work furthers our charitable aims.

The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit under the Charities Act 2011 when reviewing the charity's aims and objectives and when planning future activities.

II. Achievements and Performance

The year ended 30 September 2025 was a year of significant growth and consolidation for the charity. We doubled our core team headcount from four to eight full-time staff, more than tripled our annual budget, launched three new programmes, and scaled up several of our existing ones.

In evaluating our performance, the Charity considers the number of programme applications and participants, the number of research projects produced, career outcomes including organisation placements, the number of research papers produced through our programmes and acceptance at venues including conferences, and participant satisfaction. Across all our opportunities, we received over 2,600 applications, and approximately 250 people participated in our programmes. Below, we expand on outcomes from each specific programme.

During the year, the charity also completed its conversion from a Community Interest Company (CIC) into a Charitable Incorporated Organisation (CIO). The charity's leadership recognised the benefits of the CIO structure and successfully completed our application to become a CIO in February 2025.

LASR Labs

Our summer 2024 cohort of LASR labs ended just before the financial year, with most teams continuing to work on their papers. One paper, "A is for Absorption: Studying Feature Splitting and Absorption in Sparse Autoencoders", was accepted for an oral presentation at NeurIPS 2025, a leading machine learning conference. The other four papers were all accepted to workshops at NeurIPS 2024. In our Spring 2025 cohort running from February to May, participants produced 3 papers with one, "Detecting High-Stakes Interactions with Activation Probes", was accepted to NeurIPS 2025 and received a best paper award at the Actionable Interpretability workshop at ICML 2025.

Many participants in our LASR Labs programme have secured full-time roles or otherwise continued work in AI safety, including positions at Bluedot Impact, Meridian Impact CIC, the UK AI Security Institute, MATS Research Program, or have received grants for independent research.

AI Governance Taskforce

Our first cohort of the AI Governance Taskforce produced two papers on safety cases for frontier AI: "Dynamic Safety Cases for Frontier AI" and "Assessing Confidence in Safety Cases for Frontier AI". The work was positively received by researchers at UK AISI, GovAI, and SaferAI.

Of the cohort's participants, many have continued work on AI governance in think tanks and other non-profit organisations including Pour Demain, the KIRA Center, and MIT FutureTech.

Impact Research Groups and Student Groups
We ran two cohorts of Impact Research Groups during the year, receiving over 500 applications and accepting 82 participants. The programme produced research projects across technical AI safety, AI governance, biosecurity, animal welfare, and global health. Several projects have been turned into further work, including one participant's project that contributed to a publication on far-UVC light by Blueprint Biosecurity, another team produced work cited and built upon by the GovAI/Anthropic interpretability community. Additionally, a number of participants have since taken up further opportunities, including the MATS programme, the GovAI Summer Fellowship, and the Talos Fellowship. Participant satisfaction averaged 9.4/10 across the two rounds.

We additionally supported student initiatives across London universities, including reading groups and events. In February 2025, we ran a weekend retreat for 21 students across our programmes and network. During the event, invited guests and our team gave talks and facilitated workshops to help them understand careers in high-impact areas.

Orion AI Governance Initiative
The mentorship programme paired 47 mentees with experienced AI governance professionals. Three months into the programme, more than 60% of mentees reported either receiving valuable ongoing support or having a significant career outcome attributable in part to the mentorship.

Our internship programme secured its first two placements, with the Safe AI Forum and the Social Market Foundation, beginning in summer 2025.

LEAH Office
In September 2024, we relocated the LEAH Office to a larger space within the same building, increasing capacity from 14 to 35 desks across two floors and adding two private meeting rooms. In June 2025 we conducted a survey of office users who reported an average of 7.3 additional productive hours per week from using the office and gave an average overall rating of 8.6/10.

In January 2025, we introduced a user charging system, which generated income contributing to our running costs while remaining accessible to those unable to cover the costs by offering discounts on a case-by-case basis.

AI Safety Engineering Taskforce
Through ASET, we recruited and managed approximately 40 software engineers who contributed to ~30 evaluations for the UK AI Security Institute's Bounty programme on novel evaluations and agent scaffolding. We designed and submitted 40 evaluations designs and recruited and managed technical project managers and engineers as contractors to deliver all of the projects during the bounty period. The projects supported UK AISI's evaluations work and allowed engineers to build experience in AI safety evaluations. Since the bounty concluded, we have recorded many examples of engineers pursuing further work in AI safety.

III. Financial Review

The charity is in a stable financial position at the year-end, having received significantly more funding than in previous years, reflecting both the growth of our programmes and project income from our work with the UK AI Security Institute.

Principal Funding Sources

The charity's income during the year was derived primarily from:
- A £1,317,601 grant from Coefficient Giving (previously Open Philanthropy) supporting our core operations and programmes.
- Project income received through our work on the UK AI Security Institute's Evaluation Bounty Programme,

which totals £1,179,961.

- A £401,027 grant from Coefficient Giving to support our AI Governance Taskforce programme.
- Smaller grants and project income from other partners, totalling £12,919.
- Small amounts of income from LEAH Office user contributions, contributions to Orion Internships, and event ticket sales, totalling £23,282.

Income and Expenditure

Detailed analysis of incoming and outgoing resources is set out in the Statement of Financial Activities. Total expenditure during the year was directed at our charitable activities. Most significantly, the AISI Bounty Programme and LASR Labs, with further allocations to the LEAH Office, Orion, and our student programmes.

Reserves Policy

The trustees have considered the appropriate level of reserves required by the charity to ensure it can continue delivering its charitable activities and meet its commitments in the event of unexpected income disruption. We adopted a reserves policy in July 2026 to maintain unrestricted reserves equivalent to six months of unrestricted operating expenditure. We define unrestricted operating expenditure to include the charity's core, recurring cost of operating, principally core staff and central overhead costs covered by unrestricted funds. It excludes restricted programme expenditure, one-off or capital items, and non-cash charges such as depreciation.

During the period, most grants were restricted, so we maintained limited financial reserves. As of 30th September 2025, the charity held no unrestricted funding and therefore nil free reserves. The trustees consider this as below the desired level of reserves for the charity, although also recognise that restrictions on funding allowing for expenditure on operations costs. Since the year end, the charity has secured additional unrestricted grants that will bring us in line with the reserves policy.

Restricted and Designated Funds

Where donors or grantors have specified that funds must be used for a particular purpose, those funds are recognised as restricted income and accounted for separately. The principal restricted funding received during the year was project-specific income from the UK AISI for evaluations work, and grant income earmarked for specific programmes.

Going Concern

The trustees have considered the charity's financial position, the level of confirmed and prospective income for the forthcoming twelve months, and the charity's committed expenditure. On the basis of this review the trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern, and the financial statements have accordingly been prepared on a going concern basis.

Fundraising Statement

As listed in our principal funding sources, the charity's income is primarily from grants from philanthropic foundations. The charity does not currently solicit donations from the general public and does not conduct public fundraising appeals, collections, or similar activities.

No professional fundraisers or commercial participators were engaged during the year, and no fundraising activity was carried out on the charity's behalf by any third party. The charity has not subscribed to any voluntary fundraising scheme or standard and is not registered with the Fundraising Regulator, as it does not undertake public fundraising.

Because the charity does not approach members of the public for donations, the risks of unreasonable intrusion on privacy, unreasonably persistent approaches, or undue pressure on individuals do not arise in the ordinary course of its activities. The trustees are committed to conducting the charity's funding relationships with integrity

and transparency, and to adopting appropriate fundraising standards should the charity undertake public fundraising in the future.

The charity received no complaints relating to its fundraising during the year.

IV. Plans for the Future

Looking ahead to the year ending 30 September 2026 and beyond, the charity will focus on consolidating and scaling the programmes that have demonstrated the strongest impact, while continuing to develop our organisational capacity to support that growth.

Priorities

- Growing LASR Labs: building on the strong outcomes of the first three cohorts, we plan to continue running LASR Labs at increased scale, with further investment in supervisor recruitment, participant selection, and post-programme support.
- Continuing the AI Governance Taskforce: following the successful pilot, the Taskforce is now running on a multi-cohort basis under dedicated programme leadership.
- Launching our Alignment research team: after securing a grant through the Alignment Project, a fund supported by an international coalition of government, industry, and philanthropic funders and administered by the Department for Science, Innovation and Technology, we have launched a new research team to research AI alignment.
- Expanding Impact First: we have now organised our student and non-AI safety programme initiatives into a new project with our coworking space (previously LEAH). We plan to build on this work by continuing our research and community events in London and testing new programmes to support students and early-career professionals in having a greater impact in their careers.
- Spinning out the AI Safety Engineering Taskforce: in an effort to simplify and consolidate our programmes, ASET will be launching as a new organisation called Generality Labs.
- Building organisational capacity: to support this growth, we plan to pursue additional fundraising and make multiple hires across operations, finance, recruitment, and other functions.
- Leadership transition: since the end of the period, one of the charity Co-Directors left the charity, transitioning the leadership to Joseph Hardie as Director. During this financial year, we will manage updated responsibilities within the team and hire additional leadership staff to support the transition.

V. Structure, Governance and Management

Constitution

Arcadia Impact is a Charitable Incorporated Organisation, registered with the Charity Commission for England and Wales. The charity is governed by its constitution, which sets out the charitable objects, the powers of the trustees, the composition and procedures of the Board of Trustees, and the rights of the charity's members.

Trustee Recruitment, Appointment and Induction

The Board of Trustees comprises four members. New Trustees are appointed by the existing Board, having regard to the skills and experience required to provide effective oversight of the charity's strategy, operations, and finances. On appointment, new trustees will receive an induction including meeting with the Charity Director and senior staff, and be provided with the charity's constitution, recent management accounts and board minutes, key policies, and the Charity Commission's guidance: The Essential Trustee (CC3). Trustees stay up to date on the Charity's programmes, finances, risks, and regulatory matters.

Trustee Responsibilities

The trustees are responsible for setting the charity's strategic direction, ensuring that its activities further the

charitable objects for the public benefit, and overseeing the management of the charity's financial and operational risks. The Board meets regularly during the year, both formally and informally, to discharge these responsibilities.

Day-to-Day Management

The Board delegates day-to-day operational management of the charity to the charity Directors, with support from the wider team. The Director reports regularly to the Board on operational matters, programmes, finances, and risks. Significant decisions, including matters of strategy, the annual budget, the appointment of senior staff, and material commitments outside the approved budget, are reserved to the Board.

Remuneration of Key Management Personnel

The trustees give their time freely to the charity and receive no remuneration for their services as trustees. During this period, the charity didn't cover any expenses for trustees.

During the year, total remuneration for leadership includes:

- Joseph Hardie: £40,000
- Erin Robertson: £40,000

The remuneration of key management personnel of the charity is approved by the Board of Trustees. In the period, the remuneration of Co-Directors remained unchanged from before registration as a CIO. The trustees consider the remuneration to be fair and below market rates for a similar role in the charity sector. The Charity directors plan to work on a formal remuneration policy to be approved by the trustees.

Related Entities

The charity is associated with AI Safety Engineering Taskforce Ltd (ASET), a company limited by guarantee incorporated in England and Wales (company number 16051045). Joseph Hardie, Co-Director of the charity, is a director of ASET and hasn't received any remuneration, fees, or other financial benefit from his role.

ASET Ltd was incorporated to enable paid contracting work for AI Safety projects. The two entities collaborate to maintain the Inspect Evals repository, an open-source collection of AI evaluations. This includes ASET Ltd contractors collaborating with the charity's staff and, in some cases, completing work separately for both Arcadia Impact and ASET Ltd. The entities collaborate on maintenance for Inspect Evals, a repository of community-contributed Large Language Model evaluations. During 2026, the Charity plans for its work on the ASET programme to spin out of the Charity and launch as a new organisation named Generality Labs, and for the ASET Ltd entity to be closed.

Risk Management

The trustees have considered the major risks to which the charity is exposed and have established systems and procedures to identify, evaluate, and manage those risks. The Board reviews the principal risks and the effectiveness of related controls regularly. One such principal risk identified by the trustees is funding concentration since the charity receives the majority of its income from a small number of funders, exposing it to funding risks. The trustees consider these risks as limited due to the level of support from our existing funders. Since year-end, we have secured multiple grants from Coefficient Giving, providing support for our operating and programme costs until October 2027. We expect Coefficient Giving to remain our largest funder, though we also plan to increase our efforts to secure funding from additional sources.

Another principal risk is reputational, since the charity operates in a public-facing field with active media interest; reputational risks could arise from misalignment between our actions and our stated values, from the conduct of staff or stakeholders, or from public commentary on the broader fields in which we work. We manage these risks through our values-led organisational culture, staff and trustee induction and training, clear communication

policies, and transparent public reporting of our activities.

Another principal risk is compliance and regulatory risk; as a recently registered charity that has grown rapidly during the year, we face ongoing complexity in meeting legal, regulatory, and reporting obligations. We manage this risk through the engagement of professional advisers, financial and governance expertise represented on the Board, and by investing in our internal operations capacity.

Following the departure of Erin Robertson as Co-Director after the year-end, the trustees identify the resulting leadership transition as a principal risk to the charity. The trustees anticipate a smooth transition to Joseph Hardie as Director and managing updated responsibilities across our senior staff. The loss of Erin's experience and organisational knowledge presents a risk to the continuity of strategic leadership, operations, and programme delivery. The charity has managed these risks through a staged departure with Erin reducing her time with the charity to two days per week over a six-week period prior to leaving, prioritising offboarding to other staff during that time.

The trustees additionally consider cybersecurity and data protection a principal risk, as an organisation that processes personal data of programme applicants and participants. We manage these risks through technical controls, staff training, and adherence to our privacy policy.

VI. Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102.

The law applicable to charities in England and Wales 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 of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of Trustees on 9th Sept 2026..... and signed on their behalf by:

Zuzana Sperlova

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARCADIA IMPACT

Opinion

We have audited the financial statements of Arcadia Impact (the 'charity') for the year ended 30 September 2025 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

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

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Other matters

The company was exempt from audit for the year ended 30th September 2024. Consequently, the corresponding figures in these financial statements are unaudited.

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 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 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.

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 are responsible for the preparation of the financial statements which 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities,

including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, the Charities Statement of Recommended Practice (SORP) (FRS 102), applicable charity law and regulations, and the Companies Act 2006. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. These included General Data Protection Regulation (GDPR), health and safety legislation, employment legislation and other regulations relevant to the charity's activities.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management and those charged with governance and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing, occurrence and completeness of income recognition, particularly in respect of donations, grants and fundraising income, together with the override of controls by management and the risk of fraud arising from undisclosed or improperly accounted for related party transactions, including transactions not appropriately disclosed in the financial statements.

Our audit procedures to respond to these risks included enquiries of management and those charged with governance regarding their own assessment of the risks of irregularities and fraud, testing of journal entries, testing of income on a sample basis, reviewing accounting estimates for potential management bias, reviewing correspondence with regulators where applicable, and reading the minutes of meetings of the trustees.

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 Auditor's report.

Use of our report

This report is made solely to the charity'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 charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP

Crowe U.K. LLP

Chartered Accountants

3rd floor

St George's House

56 Peter Street

Manchester

M2 3NQ

Date: 10th September 2026

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	*Total funds 2024 (as restated) £*
Income from:					
Donations and legacies	4	**23,282**	**2,911,508**	**2,934,790**	*631,613*
Investments	5	**5,133**	**-**	**5,133**	*571*
Total income		**28,415**	**2,911,508**	**2,939,923**	*632,184*
Expenditure on:					
Charitable activities	6	**28,415**	**2,461,074**	**2,489,489**	*515,809*
Other expenditure	7	**-**	**33,271**	**33,271**	*3,850*
Total expenditure		**28,415**	**2,494,345**	**2,522,760**	*519,659*
Net movement in funds		**-**	**417,163**	**417,163**	*112,525*
Reconciliation of funds:					
Total funds brought forward		**-**	**119,308**	**119,308**	*6,783*
Net movement in funds		**-**	**417,163**	**417,163**	*112,525*
Total funds carried forward		**-**	**536,471**	**536,471**	*119,308*

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 34 form part of these financial statements.

BALANCE SHEET
AS AT 30 SEPTEMBER 2025

	Note		2025 £		2024 (as restated) £
Fixed assets					
Tangible assets	12		**1,955**		*2,041*
			1,955		*2,041*
Current assets					
Debtors	13	**47,520**		*145,053*	
Cash at bank and in hand		**709,094**		*83,283*	
		756,614		*228,336*	
Current liabilities					
Creditors: amounts falling due within one year	14	**(222,098)**		*(110,559)*	
Net current assets / (liabilities)			**534,516**		*117,777*
Total assets less current liabilities			**536,471**		*119,818*
Provisions for liabilities			**-**		*(510)*
Total net assets / (liabilities)			**536,471**		*119,308*
Charity funds					
Restricted funds	17		**536,471**		*119,308*
Unrestricted funds	17		**-**		*-*
Total funds			**536,471**		*119,308*

The financial statements were approved and authorised for issue by the Trustees on 9th Sept 2026 ..... and signed on their behalf by:

Zuzana Sperlova

The notes on pages 18 to 34 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

	2025 £	*2024* *£*
Cash flows from operating activities		
Net cash provided by operating activities	**626,708**	*23,754*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(897)**	-
Net cash (used in)/provided by investing activities	**(897)**	**-**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**625,811**	**23,754**
Cash and cash equivalents at the beginning of the year	**83,283**	*59,529*
Cash and cash equivalents at the end of the year	**709,094**	*83,283*

The notes on pages 18 to 34 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

1. General information

Arcadia Impact is a Charitable Incorporated Organisation (CIO), registered with the Charity Commission for England and Wales on 27 February 2025. Prior to this date, the organisation operated as a Community Interest Company (CIC). The Charity's registered number and registered office address are set out on page 1.

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 Charities Act 2011.

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

Arcadia Impact 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. Accounting policies (continued)

2.2 Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered potential events or conditions that could cast significant doubt on the charity's ability to continue as a going concern.

In making this assessment, the trustees reviewed the charity's financial position at the year end, including cash balances, committed expenditure, expected programme costs, and forecast cash flows covering a period of at least twelve months from the date of approval of these financial statements. The trustees also considered the charity's approved budget, the timing and reliability of anticipated income streams, and the level of available reserves.

During the year, the charity secured significant funding from Coefficient Giving and generated substantial project income through its work with the UK AI Security Institute, resulting in total income in excess of £2.9 million. Following the year end, the charity has secured additional grant funding, including unrestricted funding, which has strengthened its financial position and supports its reserves policy. As disclosed in the reserves policy, the charity held £536,471 of restricted funds at 30 September 2025 and has since taken steps to increase unrestricted reserves towards its target of maintaining six months of operating expenditure.

The trustees have also considered the charity's future fundraising pipeline, existing relationships with major funders, and the level of confidence in securing funding for planned activities. While funding remains concentrated amongst a relatively small number of grant makers, the trustees note the charity's strong funding track record, positive relationships with existing funders, and ongoing efforts to diversify funding sources.

Based on these considerations, together with the charity's cash flow forecasts and available financial resources, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future. Accordingly, the trustees continue to adopt the going concern basis in preparing the financial statements and have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern.

2.3 Income

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

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.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2. Accounting policies (continued)

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 Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

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:

Fixtures and fittings	-	20%
Office equipment	-	33%

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

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.

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 Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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

2.10 Financial instruments

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

2.11 Pensions

The charity operates a defined contribution pension scheme for eligible employees. Contributions payable to the scheme are charged to the Statement of Financial Activities in the period to which they relate.

The charity has no further liability under the scheme other than the payment of contributions. Any contributions unpaid at the reporting date are included within creditors as amounts falling due within one 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 Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2. Accounting policies (continued)

2.13 Reserves

The trustees have considered the level of reserves required to ensure that the charity can continue its charitable activities and meet its obligations in the event of an unforeseen reduction, delay or interruption in income.

The charity's policy is to maintain unrestricted reserves equivalent to approximately six months of planned operating expenditure. This level is considered appropriate to provide sufficient working capital, enable the orderly management of commitments, protect against unexpected financial pressures and provide time for trustees to respond to changes in funding levels or operational requirements.

In determining the appropriate level of reserves, the trustees consider the charity's funding profile, cash flow requirements, contractual commitments, operational risks and future development plans. The adequacy of reserves is reviewed regularly as part of the charity's budgeting and financial planning processes.

Where reserves fall below the target level, the trustees will seek to rebuild reserves through future unrestricted income while continuing to balance financial sustainability with the delivery of the charity's charitable objectives.

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:

Identification of the date of VAT registration

Management exercised significant judgement in determining the Charity's effective date of VAT registration and the associated VAT obligations arising from its trading activities. This assessment required consideration of the timing at which the Charity exceeded the statutory VAT registration threshold, together with an evaluation of the nature and value of taxable supplies made during the period. The determination involved reviewing historical revenue data, contractual arrangements and the timing of invoicing and service delivery to establish the point at which a liability to register for VAT arose. Any revision to the identified registration date could result in additional VAT liabilities, penalties or interest being recognised. Management has concluded that the VAT registration date adopted in the financial statements represents the most appropriate interpretation of the available evidence and relevant VAT legislation.

4. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Grants			
AIGT grants	-	401,027	**401,027**
Bounty grants	-	1,179,961	**1,179,961**
CG grants	-	1,317,601	**1,317,601**
Other grants	-	12,919	**12,919**
Similar incoming resources			
Coworking space usage	22,551	-	**22,551**
Orion internship contributions	246	-	**246**
Ticket sales	485	-	**485**
Subtotal detailed disclosure	23,282	2,911,508	**2,934,790**
Total 2025	23,282	2,911,508	**2,934,790**

Bounty grants comprise funding of £1,179,961 received from the AI Security Institute, part of the Department for Science, Innovation and Technology, under its bounty programme for novel evaluations and agent scaffolding. The programme, administered by Smarter Society, supported the development of evaluations designed to assess dangerous capabilities in frontier AI systems, with a particular focus on risks associated with autonomous systems, and the development of agent scaffolding tools used to test the extent of those systems' capabilities.

Grant income has been recognised to the extent that the related conditions were satisfied during the year through the application of funds to eligible expenditure under the programme.

Other grants comprise £2,952 received in respect of the LEAH Manifund Grant and £9,967 received in relation to AI evaluation and research activities.

4. Income from donations and legacies (continued)

	Unrestricted funds 2024	*Restricted funds 2024*	*Total funds 2024*
	£	*£*	*£*
Grants	-	*616,770*	*616,770*
Other trading activities	*5,101*	*9,742*	*14,843*
Total 2024	*5,101*	*626,512*	*631,613*

5. Investment income

	Unrestricted funds 2025	**Total funds 2025**
	£	**£**
Bank interest receivable	5,133	**5,133**

	Unrestricted funds 2024	*Total funds 2024*
	£	*£*
Bank interest receivable	*571*	*571*

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025	**Restricted funds 2025**	**Total 2025**
	£	**£**	**£**
Educational activities	28,415	2,461,074	**2,489,489**

6. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	Restricted funds 2024 £	*Total 2024 £*
Educational activities	*515,809*	*515,809*

7. Other expenditure

	Restricted funds 2025 £	**Total funds 2025 £**
Advertising	249	**249**
Bank fees	1,707	**1,707**
Pre-conversion corporation tax	227	**227**
Audit & accountancy	12,893	**12,893**
Rates	18,132	**18,132**
Foreign exchange loss	63	**63**
	33,271	**33,271**

	Restricted funds 2024 £	*Total funds 2024 £*
Bank and stripe fees	*740*	*740*
Pre-conversion corporation tax paid	*348*	*348*
Audit and accountancy fees	*2,762*	*2,762*
	3,850	*3,850*

The Pre-conversion corporation tax paid expenditure relates to the release of deferred tax provisions and adjustments to corporation tax liabilities in respect of prior years when the organisation operated as a Community Interest Company.

8. Auditor's remuneration

	2025 £	2024 £
Fees payable to the Charity's auditor in respect of:		
Accountancy and corporation tax services	**2,000**	*2,200*
Audit of the annual accounts	**10,000**	-

9. Staff costs

	2025 £	2024 £
Wages and salaries	**497,061**	*112,509*
Social security costs	**62,374**	*12,387*
Contribution to defined contribution pension schemes	**6,255**	*2,595*
	565,690	*127,491*

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

	2025 No.	2024 No.
Employees	**11**	*2*

No employee received remuneration amounting to more than £60,000 in either year.

10. Key management personnel

The key management personnel of the charity comprise the leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the charity was £82,011 (2024: £93,972).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2024 - £NIL)*.

During the year ended 30 September 2025, no Trustee expenses have been incurred *(2024 - £NIL)*.

12. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 October 2024	**1,751**	**1,534**	**3,285**
Additions	**354**	**543**	**897**
At 30 September 2025	**2,105**	**2,077**	**4,182**
Depreciation			
At 1 October 2024	**525**	**719**	**1,244**
Charge for the year	**418**	**565**	**983**
At 30 September 2025	**943**	**1,284**	**2,227**
Net book value			
At 30 September 2025	**1,162**	**793**	**1,955**
At 30 September 2024	*1,226*	*815*	*2,041*

13. Debtors

	2025 £	*2024 £*
Due after more than one year		
Other debtors	**18,000**	*18,000*
	18,000	*18,000*
Due within one year		
Other debtors	**-**	*1,053*
Prepayments and accrued income	**29,520**	*126,000*
	47,520	*145,053*

14. Creditors: Amounts falling due within one year

	2025 £	*2024 (as restated) £*
Trade creditors	**88,527**	*95,105*
Other taxation and social security	**24,312**	*4,410*
Other creditors	**22,064**	*8,843*
Accruals and deferred income	**87,195**	*2,201*
	222,098	*110,559*

15. Financial instruments

	2025 £	*2024 £*
Financial assets		
Financial assets measured at amortised cost	**709,094**	*83,283*

Financial assets measured at amortised cost include cash at bank.

16. Deferred taxation

	2025 £
At the beginning of the year	**510**
Credit for the year	**(510)**
	-

The deferred tax liability is made up as follows:

	2025 £	*2024 £*
Accelerated capital allowances	**-**	*(510)*
	-	*(510)*

17. Statement of funds

Statement of funds - current year

	Balance at 1 October 2024 (as restated) £	Income £	Expenditure £	Balance at 30 September 2025 £
Unrestricted funds				
Coworking income and interest	**-**	**28,415**	**(28,415)**	**-**
Restricted funds				
AIGT Grants	**-**	**401,027**	**(21,925)**	**379,102**
Bounty Grants	**-**	**1,179,961**	**(1,179,961)**	**-**
LEAH Manifund Grants	**-**	**2,952**	**(2,952)**	**-**
AI Evals Research Sprints	**-**	**9,967**	**(9,967)**	**-**
Coefficient Giving Grants	**119,308**	**1,317,601**	**(1,279,540)**	**157,369**
	119,308	**2,911,508**	**(2,494,345)**	**536,471**
Total of funds	**119,308**	**2,939,923**	**(2,522,760)**	**536,471**

Statement of funds - prior year

	Balance at 1 October 2023 (as restated) £	*Income (as restated)* £	*Expenditure (as restated)* £	*Balance at 30 September 2024 (as restated)* £
Restricted funds				
Coefficient Giving Grants	*6,783*	*632,184*	*(519,659)*	*119,308*

17. Statement of funds (continued)

Restricted funds comprise grants and other income received for specific charitable activities or purposes as stipulated by the funder. These funds may only be applied in accordance with the terms and conditions attached to the funding. The principal restricted funds held by the charity during the year were as follows:

AI Governance Taskforce Grants
Grant funding received from Coefficient Giving which is restricted to the delivery and development of the charity's AI Governance Taskforce programme. The fund supports programme delivery, participant engagement, research activities and associated programme costs. Its objective is to develop talent and research capacity within the field of AI governance.

Bounty Grants
Funding received through the UK AI Security Institute's AI Evaluations Bounty Programme, restricted to the delivery of approved AI safety evaluation projects and related activities. The objective of the fund is to support the development of AI safety evaluations and strengthen AI safety research capabilities.

LEAH Manifund Grant
Funding raised through the Manifund crowdfunding platform which is restricted to the operation and development of the charity's co-working office space. The objective of the fund is to provide infrastructure and community support for individuals and organisations working on issues aligned with the charity's charitable purposes.

AI Evals Research Sprint
Funding received from the UK AI Security Institute which is restricted to the delivery of an AI evaluations research hackathon and related activities. The objective of the fund is to facilitate research, collaboration and skills development in AI safety and evaluation methodologies.

Coefficient Giving Grant
Grant funding received from Coefficient Giving which is restricted to specified field-building activities, research programmes and related operating costs. The objective of the fund is to support the charity's charitable activities in research, education, talent development and organisational capacity building.

18. Summary of funds

Summary of funds - current year

	Balance at 1 October 2024 (as restated) £	Income £	Expenditure £	Balance at 30 September 2025 £
General funds	-	**28,415**	**(28,415)**	-
Restricted funds	**119,308**	**2,911,508**	**(2,494,345)**	**536,471**
	119,308	**2,939,923**	**(2,522,760)**	**536,471**

Summary of funds - prior year

	Balance at 1 October 2023 £ (as restated)	*Income (as restated) £ (as restated)*	*Expenditure £ (as restated)*	*Balance at 30 September 2024 £ (as restated)*
Restricted funds	*6,783*	*632,184*	*(519,659)*	*119,308*

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	1,955	**1,955**
Debtors due after more than one year	18,000	**18,000**
Current assets	738,614	**738,614**
Creditors due within one year	(222,098)	**(222,098)**
Total	536,471	**536,471**

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Restricted funds 2024 (as restated) £	*Total funds 2024 (as restated)* £
Tangible fixed assets	*2,041*	*2,041*
Debtors due after more than one year	*18,000*	*18,000*
Current assets	*210,336*	*210,336*
Creditors due within one year	*(110,559)*	*(110,559)*
Provisions for liabilities and charges	*(510)*	*(510)*
Total	*119,308*	*119,308*

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

	2025 £	*2024* £
Net income for the year (as per Statement of Financial Activities)	**417,163**	*112,525*
Adjustments for:		
Depreciation charges	**983**	*857*
Decrease/(increase) in debtors	**97,533**	*(109,253)*
Increase in creditors	**111,539**	*19,840*
Decrease in provisions	**(510)**	*(215)*
Net cash provided by operating activities	**626,708**	*23,754*

21. Analysis of cash and cash equivalents

	2025 £	*2024* £
Cash in hand	**709,094**	*83,283*
Total cash and cash equivalents	**709,094**	*83,283*

22. Analysis of changes in net debt

	At 1 October 2024	Cash flows	At 30 September 2025
	£	£	£
Cash at bank and in hand	**83,283**	**625,811**	**709,094**
	83,283	**625,811**	**709,094**

23. Operating lease commitments

At 30 September 2025 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025	*2024*
	£	£
Not later than 1 year	**108,000**	-

24. Related party transactions

During the year trustee Zuzana Sperlova made payments to the charity for use of the LEAH co-working space. The total paid during the year was £131 and the total value of discounts received was £228.

There were no other related party transactions during the year requiring disclosure under FRS 102 and the Charities SORP.

25. Capital commitments

At the balance sheet date, the charity had no capital commitments contracted for but not provided for in the financial statements (2024: £nil).

26. Post balance sheet events

Since the year end, the charity has secured significant additional funding to support its ongoing operations and programme activities.

In addition, subsequent to the year end the charity repaid unspent funds relating to the UK AI Security Institute Evaluation Bounty Programme to Smarter Society in accordance with the terms of the funding arrangement.

Following the year end, Erin Robertson resigned from her position as Co-Director in June 2026. Responsibility for the day-to-day management of the charity has transitioned to Joseph Hardie as Director. The trustees have considered the impact of this leadership change and are satisfied that appropriate transition arrangements have been implemented to support the continued effective operation of the charity. This development is consistent with the leadership transition described in the Trustees' Annual Report.

The trustees consider that these events do not require adjustment to the amounts recognised in the financial statements for the year ended 30 September 2025 but provide additional information relevant to the charity's future funding and operations.

27. Prior year adjustment

During the year, the Company became a registered charity and has adopted the Charities SORP (FRS 102) in preparing its financial statements. The prior year financial statements were previously prepared in accordance with FRS 102, as a CIC.

The adoption of the Charities SORP has resulted in a change in the accounting policy for the recognition of grant and donation income. Under the Charities SORP, certain grant income that would previously have been recognised over the period in which the related expenditure was incurred is now recognised immediately when received or receivable, provided that no performance-related conditions remain outstanding.

The change in accounting policy has been applied retrospectively and comparative information has been restated accordingly. The effect of the change was to increase opening reserves at 1 October 2024 by £148,565 and increase income for the comparative period by £148,565, with a corresponding reduction in deferred income of £148,565. No adjustment was required with respect to the opening reserves as at 1 October 2023.

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2025

	2025 £	2025 £	2024 (as restated) £	2024 (as restated) £
Income				
Donations and legacies	**2,901,542**		*626,467*	
Interest receivable and similar income	**5,133**		*571*	
Other trading activities	**10,212**		*45*	
Coworking space usage	**22,551**		*4,968*	
Ticket sales	**485**		*133*	
		2,939,923		*632,184*
Gross income in the reporting period		**2,939,923**		*632,184*
Less:				
Charitable activities				
Contractor wages	**1,237,549**		*39,775*	
AI evals research sprints	**6,787**		-	
AI governance talks	**-**		*3,808*	
Computer costs	**54,069**		*18,297*	
Consulting	**14,128**		-	
Depreciation of tangible assets	**983**		*857*	
Employee relocation support	**3,218**		*2,525*	
Employers national insurance	**62,374**		*12,387*	
Equipment and running costs	**665**		*915*	
Events	**904**		-	
Food and drink	**40,436**		*32,814*	
General expenses	**382**		*252*	
Insurance	**626**		*294*	
Legal fees	**2,290**		*3,684*	
Operations support costs	**9,111**		*1,229*	
Participant prizes	**4,400**		*760*	
Participant stipends	**217,984**		*109,414*	
Pensions	**6,255**		*2,595*	
Printing and stationery	**75**		-	
Programme accommodation	**5,517**		*21,851*	
Rent	**108,000**		*106,450*	
Retreats	**7,807**		*7,426*	
Salaries	**497,061**		*112,509*	
Software	**234**		-	
Staff productivity	**1,209**		-	
Staff training	**462**		-	

INCOME AND EXPENDITURE ACCOUNT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2025

	2025 £	2025 £	2024 (as restated) £	2024 (as restated) £
Subscriptions and software	**24,619**		*3,237*	
Travel	**24,359**		*8,881*	
Venue and office costs	**125,566**		*27,464*	
Visa and immigration fees	**32,419**		-	
		2,489,489		*517,424*
Other expenditure				
Advertising and marketing	**249**		-	
Audit and accountancy fees	**12,893**		*2,762*	
Bank fees	**1,707**		*740*	
Pre-conversion corporation tax paid	**227**		*(1,267)*	
Rates	**18,131**		-	
Realised currency gains	**64**		-	
		33,271		*2,235*
Total expenditure		**2,522,760**		**519,659**
Net income before taxation for the reporting period		**417,163**		**112,525**
Net income for the reporting period		**417,163**		**112,525**
Surplus for the reporting period		**417,163**		*112,525*
Surplus brought forward at 1 October 2024		**119,308**		*6,783*
#		**536,471**		*119,308*

The notes on pages 18 to 34 form part of these financial statements.