**Registered number: 07109988**
**Charity number: 1135264**

# THE CONDUIT FOUNDATION

**(A Company Limited by Guarantee)**

## TRUSTEES' REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2025

**THE CONDUIT FOUNDATION**
**(A Company Limited by Guarantee)**

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**THE CONDUIT FOUNDATION**

**(A Company Limited by Guarantee)**

## REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2025

| | |
|---|---|
| **Trustees** | S P D Johnson (appointed 1 September 2026)<br>D S Sriskandarajah<br>P G Van Zyl<br>M L B Young |
| **Company registered number** | 07109988 |
| **Charity registered number** | 1135264 |
| **Registered office** | 9 Bonhill Street<br>London<br>EC2A 4DJ |
| **Independent auditor** | HaysMac LLP<br>10 Queen Street Place<br>London<br>EC4R 1AG |

# TRUSTEES' REPORT
# FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees of the UK registered charity (charity no. 1135264), The Conduit Foundation ("Foundation") who also act as the Directors of the company limited by guarantee (company no. 07109988), present their annual report and the financial statements for the year ended 31 December 2025 ("the year").

The financial statements comply with current statutory requirements, the charity's Constitution, 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.

## Structure, governance and management

### Governing document

The Foundation is a charitable company registered with the Charity Commission for England and Wales. It was registered in 2010 as Earth Capital Partners Foundation and changed name to The Conduit Foundation in December 2019. The Foundation's Constitution establishes the powers and objects of the charity and was last amended on the 20th June 2026. The Foundation has been dormant from 2019 up to 2025 and this report represents its first annual report and accounts under its new constitution.

The objects of the Foundation stated in Article 5 of our governing document are to:

Promote sustainable development for the benefit of the public by:

- The funding of educational and research projects for communities both in the United Kingdom and internationally, where such projects will enhance people's lives and enable them through sustainable development to achieve a better standard of living and improved health for themselves and their children

- The promotion of community income generating practices and the alleviation of poverty without the destruction of natural resources; and to improve awareness of sustainable practices, to ensure the preservation of community water resources, biodiversity and the protection of the natural habitat for communities now and in the future

- To provide grant funding and technical expertise, in kind when applicable to appropriate national and international programmes in the areas of education, research and community projects, where such programmes support sustainable development and which will result in the sustainable improvement of the conditions of people in socially and economically disadvantaged communities; and

- Advance such other exclusively charitable purposes as the Trustees in their absolute discretion may from time to time determine

The term "sustainable development" is defined as 'meeting the needs of today without jeopardising the ability of future generations to meet their needs'.

### Related parties and relationships with other organisations

The Foundation is a registered Charitable Company and the sole member is The Conduit Holdco Limited ("CHL" Company number 11018010). The sole member has responsibilities and powers as outlined in our governing document, however it is the trustees, not the member, who manage the Foundation.

The Foundation is uniquely placed to utilise resources, expertise and venue space from across CHL and The Conduit Club Limited ("CCL" company number 12976435) as we work in partnership to enhance our impact. This has been especially important during the Foundation's first year of establishment. To formalise these arrangements, The Foundation entered into a Strategic Partnership Agreements with CHL and CCL which includes provision of operational support and the delivery of charitable programmes on a not-for-profit basis.

Under these arrangements the Foundation may enter into transactions with CHL, including the award of subgrants to deliver charitable activities.

During the year, the Foundation awarded subgrants totalling £1,495,574 (2024: £nil), of which £949,126 (2024: £nil) has been recognised as expenditure in the year, to CHL to support delivery of charitable activities during a period of early establishment of the Foundation. Amounts due to CHL in relation to subgrants at 31st December 2025 were £nil (2024: £nil) and amounts due from CHL were £nil (2024: £nil).

At 31st December 2025, a balance was due to CHL of £39,688 (2024: £nil) in respect of support costs expenditure incurred by CHL on behalf of the Foundation. These amounts are provided interest-free and the Foundation has received confirmation that repayment will only be requested when the Foundation has sufficient financial resources to do so.

The Foundation's governing document states CHL, as the sole member, can appoint a "Conduit Connected" trustee, currently Paul Van Zyl, who is also CEO and Founder of CHL. This is regarded as conflicted in matters relating to transactions between the Foundation and CHL. In accordance with the Foundation's governing document and Conflict of Interest Policy, the "Conduit Connected" trustee cannot participate in decisions relating to grants, funding arrangements or other transactions involving CHL. Transactions with CHL, including subgrant arrangements, are considered and approved by the Foundation's "Independent" trustee.

The trustees consider that all transactions with CHL were undertaken in furtherance of the Foundation's charitable objectives and public benefit and were subject to the Foundation's conflict management and approval procedures.

**Recruitment and appointment of Trustees**

The Foundation governing document states the requirement of at least three trustees in post; one must be a "Conduit Connected" trustee and at least two must be "Independent" trustees, meaning trustees who are neither a "Conduit Connected" trustee nor connected to one. This ensures we can manage conflicts and to provide an independent quorum where necessary.

In selecting individuals for appointment as trustees, the Board looks for the skills, knowledge and experience needed for the effective management of the Foundation, and to ensure we have a wide range of backgrounds and experiences. The Foundation governing document states the member has the power to appoint and agree the term of trustees.

On appointment, trustees are provided with training on their role and responsibilities and a trustee induction pack including the Foundation's governing document, Governance Manual and other relevant documents to assist them in their role.

In the reporting year, the Foundation had two "Independent" trustees and in September 2026 appointed an additional independent trustee.

**Organisational structure and administrative details**

The trustees are responsible for the management of the Foundation. All trustees give their time voluntarily and receive no benefits from the Foundation. No expenses were reclaimed by trustees from the Foundation over the year.

The Foundation's trustees met three times during the year. The Foundation does not have additional committees at this stage but will continue to review this.

To prepare the Foundation to accept grants in 2025, the trustees appointed Bates Wells to provide legal advice on governance matters. In 2025 a decision was made to recruit a Foundation Director to support with

governance, operations and grant management. Jessica Ridgewell was appointed to the role in March 2026. The Foundation Director is currently employed by CHL and works on behalf of the Foundation. At this stage the Foundation has no employees but this will continue to be reviewed as the Foundation matures.

The trustees have a Scheme of Delegation in place and delegate day-to-day financial controls and management to Tom Haley, Chief Financial Officer of CHL and CCL.

**Purpose and aims**

The Foundation's objects are to promote sustainable development for the benefit of the public in the United Kingdom and internationally.

**Public benefit**

The Foundation has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning its future activities. In particular, the trustees consider how any future activities will contribute to the aims and objectives which is assessed through our Donor Acceptancy Policy and due diligence process.

**Strategic direction**

The Conduit Foundation exists to catalyse and accelerate solutions to the world's most complex problems.
The Foundation harnesses the power of convening, collaboration, and catalytic funding to advance innovative solutions to the world's most pressing social and environmental challenges.

In 2025 the Foundation received its first grants and the trustees approved the Foundation's first vision and mission statement:

**Vision**

The Foundation envisions a just, prosperous, and sustainable world shaped by collaboration — where shared knowledge, collective resources, and diverse voices come together to solve systemic problems and create lasting impact.

**Mission**

The Conduit Foundation exists to spark bold solutions to global challenges by:

- Widening the circle - ensuring a diversity of voices, including those most affected and least heard, are in the conversation and part of the solution
- Mobilising philanthropy - channelling funding toward ambitious, early-stage initiatives that require collaboration over competition
- Building bridges - enabling dialogue, knowledge sharing and collaboration across sectors, disciplines, and communities.

**Our focus**

To achieve our mission we focus on accelerating six high-impact areas represented in our Solutions Agenda, this acts as the framework for our impact and programmes:

- Regenerating Climate & Nature - Moving from protection to regeneration — restoring ecosystems, building resilience, and redefining humanity's relationship with the planet.
- Health & Food Futures - Advancing individual, public, and planetary health — from reimagining food systems and preventive care to strengthening health equity, access, and innovation.

- Inclusive Economies - Building fair, future-fit economic systems that enable shared prosperity, opportunity, and dignity in work and wealth creation.
- Reimagining Democracy & Justice - Rebuilding trust in institutions, protecting rights, and designing more participatory, accountable, and inclusive systems of power.
- Future of Impact Leadership - Cultivating courageous, values-driven leadership to navigate complexity and accelerate systemic change.
- AI for Good - Harnessing the power of technology and data to advance human and planetary progress.

**Activities and achievements**

In 2025 we received our first grants to the amount of £2,278,919 which enabled us to develop three programmatic areas within our Solutions Agenda framework and accelerate solutions to complex global social and environmental challenges. In 2025 the three programmes the Foundation developed were:

**AI for Good**

AI is changing how we respond to some of the world's biggest challenges. Its potential to accelerate progress is significant, but knowing where AI can genuinely make a difference, and how to use it responsibly, is still an open question.In June 2025, with support from Google.org, The Conduit Foundation launched the initial phase of its AI for Good programme. The aim was to establish a cross-sector platform to deepen dialogue around the responsible use of AI for social and environmental impact. From June 2025 to March 2026, we designed and delivered a series of convenings across London and New York, bringing together a diverse range of stakeholders from the technology, philanthropy, civil society and policy sectors. These forums created a structured space to explore how AI can meaningfully address global challenges, while also examining the associated risks, limitations and governance considerations.

During the reporting year, the Foundation delivered five activations and published the insights that were captured. Topics covered included AI and the Future of Mental Health, The Future of AI in Humanitarian Action and AI and the Future of the Non-Profit Sector.

For 2026 we have a number of activations planned, including on the fringes of the EU Presidency AI for Good Summit in Dublin in mid-October, where we plan to engage a global audience of leaders from the non-profit and private sectors.

**FloodAction Coalition**

Flooding, drought, wildfires, heat, and biodiversity loss are colliding across the UK. Flooding puts £2 trillion of homes at risk and, water shortages could reach five billion litres a day by 2045, only 14% of rivers meet acceptable ecological standards today, wildfires are threatening farmland, habitats and rural communities and urban heat is putting elderly, young and low-income residents at risk.

Nature-based solutions (NbS) offer a single approach that can mitigate all of these climate challenges, and the evidence exists to support this. NbS generate £10 in wider benefit for every £1 invested, cutting flood peaks and drought impacts by up to 30%, while improving biodiversity and water quality. Catchment-scale projects not only create resources and jobs for local communities, they create new income for farmers and land managers, with the opportunity to redistribute economic benefit back to local communities.

FloodAction is a pioneering coalition launched in November 2025, convened by The Conduit and chaired by Aviva. It is delivered in partnership with The Conduit Foundation through the philanthropic support of Quadrature Climate Foundation, UBS Optimus Foundation and Z Zurich Foundation. Together our ambition is to bring together water companies, public bodies, conservation organisations and landowners to scale nature-based solutions to flood, drought, water quality, wildfire and urban heat - rebuilding water resilience and strengthening communities for generations to come.

The public launch in November 2025 attracted over a 100 senior leaders, generated Financial Times coverage,

a letter of support from HRH King Charles III and a meeting request from 10 Downing Street. The coalition has moved quickly from ambition to action. In 2025, 30 cross-sector workshops had been completed, drawing in organisations including National Highways, Network Rail, Anglian Water, National Trust, The Rivers Trust, The Crown Estate, Aviva, UBS and Howden to build momentum for cross-sector collaboration. Within its first year, the coalition grew from its founding group to more than 80 member organisations, including major infrastructure operators, utilities and environmental bodies. Simultaneously, the coalition identified 100 catchment-scale projects and advanced five projects into active support.

To maintain momentum, in early 2026 the coalition convened over 50 organisations at regional forums and events. In June 2026, the FloodAction Coalition hosted the Water Resilience Investment Summit where a portfolio of 5 catchment scale projects were showcased, representing a £1.5b pipeline across 1.5 million hectares of land looking to protect 24,700 homes and restore 29,300 hectares of habitat. The Coalition used the opportunity to formally announced the UK's Water Resilience Intelligence Platform, supported by Google.org. Moreover, the Coalition will continue to relentlessly unblock systemic barriers across finance and policy to create an investable market for water resilience-based outcomes.

**The Civic Toolkit**

Democracies are under strain. Trust is declining, polarisation deepening, and AI-amplified disinformation spreading faster than democratic systems can handle. Most citizens and leaders lack the digital literacy to navigate this landscape. AI can be a genuine opportunity to rebuild trust and reimagine participation — but only if we act now to build civic awareness and participation.

The Conduit Foundation's ambition is to create a Civic Toolkit, a non-partisan initiative bringing together citizens, educators, technologists, and policymakers to understand the future of democratic culture for the digital age. Our convening series will be designed to build a toolkit for citizens to shape their democratic future.

To deliver this work we received a donation in November 2025, so designing and developing the programme became a key priority for the reporting year, with three events in the convening series planned for April, September and November 2026 in Berlin.

**Financial Review**

Income for the year totalled £2,278,919 (2024: £nil), this income was restricted to our three programmes.

Expenditure for the year was £1,001,315 (2024: £nil). This includes all subgrants made and the costs required to run the Foundation. Of this, £949,126 was spent on subgrants. £1,329,793 was carried forward due to multi-year restricted grants with programme activity and expenditure planned for 2026.

The Foundation has no investments to report on.

The Foundation does not undertake fundraising from the general public.

At the end of the year the Foundation had total funds of £1,277,605, with £1,329,793 being restricted funds and unrestricted reserves being £52,188 in deficit. As the unrestricted reserves are in deficit, these costs were paid for by The Conduit Holdco Limited and will be repaid from the Foundation when it has the ability to do so. See the going concern accounting policy for further information on the unrestricted reserve strategy.

**Grant-making**

The Foundation does not run an open grants programme distributing funds. Instead, it works in partnership with funders to catalyse capital and accelerate systems change through innovative cross sector partnerships.

During the year, the charity awarded subgrants totalling £949,126 (2024: £nil) to CHL for the delivery of charitable activities during a period of early establishment of the Foundation.

## Reserves Policy

The Board recognises the requirement for unrestricted accessible cash reserves sufficient to cover a source of income not being renewed and the need to fund short term deficits in cash flow. The trustees approved a Reserves Policy in September 2026 stating at least three months reserves should be in place.

## Principal risks and uncertainties

The trustees have a duty to identify, understand and analyse the risks to which the Foundation is exposed and to ensure appropriate and effective controls are in place. The trustees are committed to maintaining a strong risk management framework through our Risk Policy. The trustees conduct an annual detailed assessment of the major risks to which the Foundation is exposed and review this regularly through the year. Risks are categorised into Governance, Regulatory and Compliance, Financial, Operational and External.

The principal risks identified during the year and mitigating factors were as follows:

- Governance and management of conflict of interests - CHL is the sole corporate member of the Foundation and a "Conduit Connected" trustee is on the board which presents a conflict of interest if subgrant transactions occur from the Foundation to CHL. To mitigate this risk, legal advice from Bates Wells was instructed and amendments to our governing document were made in 2026 to restrict participation in the decision-making process and voting power if a trustee's interest or duty gives rise to a conflict of interest. A Subgrant Agreement was drafted and any matters relating to subgrants to CHL and CCL need to be approved by independent trustees only.

- Regulatory compliance and governance - there is a risk of ineffective governance as a result of insufficient trustee expertise and capacity. To mitigate this risk a Foundation Director was appointed in March 2026 and an additional independent trustee in September 2026. A Scheme of Delegation has been approved to delegate day-to-day operational activity to the Foundation Director to strengthen operational capacity, governance and risk management. A Governance Manual and Grant Management tools have been developed, a financial controls assessment conducted and additional policies drafted.

- Financial and operational dependence on The Conduit HoldCO Limited (CHL) - this presents a risk if there was withdrawal of delivery capacity or financial support. To mitigate this risk, a Reserves Policy has been approved by the trustees in September 2026 and the Foundation Director has developed cost recovery guidelines and a fundraising strategy is in development. Foundation Management accounts, forecast and pipeline are presented to the Board every quarter.

## Plans for the future

Following the Foundation's first year of income and charitable activity, the trustees recognise the need to strengthen governance, compliance and organisational capacity. This includes the next phase of operational policies and procedures, alongside further grant management tools.

To support this, the trustees delegated day-to-day responsibilities to the Foundation Director who was appointed in March 2026. A Scheme of Delegation was developed in May 2026 and approved in September 2026 to ensure responsibilities are managed appropriately, and plans are in place to appoint additional independent trustees during the year ahead.

Having articulated the Foundation's mission and vision alongside the six high-impact areas of our Solutions Agenda, we look forward to reporting on the impact our programmes will have as we work to catalyse and accelerate the solutions needed for systems change.

In 2025, a number of our multi-year grants were still in their early stages and three programmes were designed and launched: AI for Good, FloodAction Coalition, and The Civic Toolkit. In 2026, each will build on this momentum to deliver against grant objectives and our shared ambitions. Using the Solutions Agenda as our framework, we will scope further opportunities to mobilise our community and philanthropic funding to design additional programmes, convening the partners and changemakers needed to drive lasting change.

The world continues to face complex social and environmental challenges. We believe that through shared knowledge, collective resources and diverse voices, we can come together to solve systemic problems and deliver lasting impact.

**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 the trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- the 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 charitable company's auditors are aware of that information.

**Auditors**

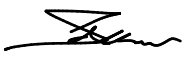
The auditors, HaysMac LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

Approved by order of the members of the Board of Trustees and signed on their behalf by:



.....
**D S Sriskandarajah**
Director
Date: 29/09/2026

## STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2025

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.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CONDUIT FOUNDATION

### Opinion

We have audited the financial statements of The Conduit Foundation (the 'charitable company') for the year ended which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, 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 2025 and of the charitable company’s net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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.

**Other information**

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**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.

**Auditor's responsibilities for the audit of the financial statements**

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

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

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

We design procedures in line with our responsibilities. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We consider the most significant laws and regulations that have a direct impact on the financial statements to be:

- Charities SORP (FRS 102) and Companies Act 2006 compliance: We reviewed the financial statements disclosures and performed testing on balances and disclosures.

We considered the following areas to be those where the financial statements are most susceptible to fraud:

- Management override of controls: We evaluated managements controls designed to prevent and detect irregularities and we reviewed all journals for evidence of management override, and we challenged assumptions and judgements made by management in their critical accounting estimates.

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.

**Other matters**

The prior period financial statements were not subject to audit, therefore the corresponding figures included in these financial statements are unaudited.

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

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Christopher Morgan

**Christopher Morgan (Senior Statutory Auditor)**
**for and on behalf of**
**HaysMac LLP**

Statutory Auditors

10 Queen Street Place

London

EC4R 1AG

Date: 29/09/2026

**THE CONDUIT FOUNDATION**

**(A Company Limited by Guarantee)**

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2025

| | Note | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total funds 2025 £ | *Total funds 2024 £* |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 3 | **-** | **2,278,919** | **2,278,919** | - |
| **Total income** | | **-** | **2,278,919** | **2,278,919** | - |
| **Expenditure on:** | | | | | |
| Charitable activities | 4 | **52,189** | **949,126** | **1,001,315** | - |
| **Total expenditure** | | **52,189** | **949,126** | **1,001,315** | - |
| **Net movement in funds** | | **(52,189)** | **1,329,793** | **1,277,604** | - |
| **Reconciliation of funds:** | | | | | |
| Total funds brought forward | | **1** | **-** | **1** | *1* |
| **Total funds carried forward** | | **(52,188)** | **1,329,793** | **1,277,605** | *1* |

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

The notes on pages 17 to 24 form part of these financial statements.

**THE CONDUIT FOUNDATION**

**(A Company Limited by Guarantee)**
**REGISTERED NUMBER: 07109988**

## BALANCE SHEET
## AS AT 31 DECEMBER 2025

| | Note | | 2025 £ | | *2024 £* |
|---|---|---|---|---|---|
| **Current assets** | | | | | |
| Debtors | 7 | **646,448** | | *1* | |
| Cash at bank and in hand | | **683,345** | | - | |
| | | **1,329,793** | | *1* | |
| **Current liabilities** | | | | | |
| Creditors: amounts falling due within one year | 8 | **(52,188)** | | - | |
| **Net current assets** | | | **1,277,605** | | *1* |
| **Total net assets** | | | **1,277,605** | | *1* |
| **Charity funds** | | | | | |
| Restricted funds | 9 | | **1,329,793** | | - |
| Unrestricted funds | 9 | | **(52,188)** | | *1* |
| **Total funds** | | | **1,277,605** | | *1* |

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 and signed on their behalf by:

.....
**D S Sriskandarajah**
Director
Date: 29/09/2026

The notes on pages 17 to 24 form part of these financial statements.

**THE CONDUIT FOUNDATION**
**(A Company Limited by Guarantee)**

## STATEMENT OF CASH FLOWS
## FOR THE YEAR ENDED 31 DECEMBER 2025

| | Note | 2025 £ | *2024 £* |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net cash used in operating activities | 11 | **683,345** | - |
| **Change in cash and cash equivalents in the year** | | **683,345** | **-** |
| **Cash and cash equivalents at the end of the year** | 12 | **683,345** | - |

The notes on pages 17 to 24 form part of these financial statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

### 1. General information

The Conduit Foundation is a charitable company limited by guarantee registered in England and Wales. The registered office is 9 Bonhill Street, EC2A 4DJ.

### 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.

The Conduit 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

In preparing these financial statements, the trustees have assessed the Foundation's ability to continue as a going concern for a period of at least twelve months from the date of approval of the financial statements.

At 31 December 2025, the Foundation reported a deficit on unrestricted funds of £52,188. This balance comprised accrued liabilities of £12,500 and an amount due to The Conduit Holdco Limited ("CHL") of £39,688 in respect of start-up and establishment costs incurred on the Foundation's behalf. The trustees have received confirmation that CHL does not intend to seek repayment of this balance until the Foundation has sufficient financial resources to do so. As such, the liability does not represent an immediate demand on the Foundation's cash resources.

The trustees have prepared detailed cash flow and financial forecasts through to December 2027, which demonstrate that the Foundation is expected to maintain positive cash balances and sufficient liquidity to meet its obligations as they fall due throughout the forecast period. The forecasts demonstrate that the Foundation is expected to maintain sufficient liquidity and adequate resources across both restricted and unrestricted funds throughout the assessment period.

The Foundation's long-term funding strategy is to secure grant funding arrangements that incorporate full recovery of programme management, administration and support costs. The trustees expect this approach to generate sufficient unrestricted income to fund the Foundation's core operating activities, strengthen unrestricted reserves and enable the Foundation to operate on a financially self-sustaining basis.

Having considered the forecasts, available funding opportunities, existing grant arrangements and the support available from CHL, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future and consider that no material uncertainties exist which may cast significant doubt on the Foundation's ability to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

## 2. Accounting policies (continued)

### 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. Expenditure is recognised in accordance with the performance of the activities set out in the subgrant agreements. This is appropriate as there is an intrinsic link between the underlying performance of the framework set out in the Strategic Partnership Agreement and the charitable activities funded through the subgrant arrangements. As the expenditure incurred in delivering these activities arises consistently throughout the funding period, recognition of expenditure over that period provides an appropriate reflection of programme performance.

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

All expenditure is inclusive of irrecoverable VAT.

### 2.5 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.

### 2.6 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.

### 2.7 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.

## 2. Accounting policies (continued)

### 2.8 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.

### 2.9 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.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company 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.

## 3. Income from donations and legacies

| | Restricted funds 2025 £ | Total funds 2025 £ | *Total funds 2024 £* |
|---|---|---|---|
| Grants | 2,278,919 | **2,278,919** | - |

## 4. Analysis of expenditure by activities

| | Grant funding of activities 2025 £ | Support costs 2025 £ | Total funds 2025 £ | *Total funds 2024 £* |
|---|---|---|---|---|
| Flood Action | 522,336 | - | **522,336** | - |
| AI for Good | 401,096 | - | **401,096** | - |
| Civic Toolkit | 25,694 | - | **25,694** | - |
| Governance costs | - | 52,189 | **52,189** | - |
| | 949,126 | 52,189 | **1,001,315** | - |

Grant funding in the year is comprised wholly of 3 subgrants made to The Conduit Holdco Limited.

## 5. Auditor's remuneration

| | 2025<br>£ | *2024*<br>*£* |
|---|---|---|
| Fees payable to the Company's auditor for the audit of the Company's annual accounts | **12,500** | - |

## 6. Employees

The Company had no employees during the year (2024: nil).

No trustee received any remuneration or other benefits from the charity or any related entity during the year (2024: £nil) for their services as a trustee.

No trustee expenses were reimbursed during the year (2024: £nil). No trustees received reimbursement for costs incurred in carrying out their duties as trustees.

## 7. Debtors

| | 2025<br>£ | *2024*<br>*£* |
|---|---|---|
| **Due within one year** | | |
| Other debtors | **-** | *1* |
| Prepayments and accrued income | **546,448** | - |
| Grants receivable | **100,000** | - |
| | **646,448** | *1* |

## 8. Creditors: Amounts falling due within one year

| | 2025<br>£ | *2024*<br>*£* |
|---|---|---|
| Amounts owed to group undertakings | **39,688** | - |
| Accruals and deferred income | **12,500** | - |
| | **52,188** | - |

## 9. Statement of funds

### Statement of funds - current year

| | Balance at 1 January 2025 £ | Income £ | Expenditure £ | Balance at 31 December 2025 £ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General Funds | **1** | **-** | **(52,189)** | **(52,188)** |
| **Restricted funds** | | | | |
| Flood Action | **-** | **1,067,000** | **(522,336)** | **544,664** |
| AI for Good | **-** | **600,000** | **(401,096)** | **198,904** |
| Civic Toolkit | **-** | **611,919** | **(25,694)** | **586,225** |
| | **-** | **2,278,919** | **(949,126)** | **1,329,793** |
| **Total of funds** | **1** | **2,278,919** | **(1,001,315)** | **1,277,605** |

### Statement of funds - prior year

| | *Balance at 1 January 2024 £* | *Balance at 31 December 2024 £* |
|---|---|---|
| **Unrestricted funds** | | |
| General Funds | *1* | *1* |

## 9. Statement of funds (continued)

The purposes of the restricted funds are as follows:

**FloodAction Coalition**
The coalition launched in November 2025 with the ambition to bring together water companies, public bodies, conservation organisations and landowners to scale nature-based solutions to flood, drought and water quality - rebuilding water resilience and strengthening communities for generations to come

**AI for Good**
Establish a cross-sector platform to deepen dialogue around the responsible use of AI for social and environmental impact through delivering a series of convenings across London and New York.

**Civic Toolkit**
A non-partisan initiative bringing together citizens, educators, technologists, and policymakers to understand the future of democratic culture for the digital age. Our convening series in 2026 will be designed to build a toolkit for citizens to shape their democratic future

## 10. Analysis of net assets between funds

**Analysis of net assets between funds - current year**

| | Unrestricted funds 2025 £ | Restricted funds 2025 £ | Total funds 2025 £ |
|---|---|---|---|
| Current assets | - | 1,329,793 | **1,329,793** |
| Creditors due within one year | (52,188) | - | **(52,188)** |
| **Total** | (52,188) | 1,329,793 | **1,277,605** |

**Analysis of net assets between funds - prior year**

| | *Unrestricted funds 2024 £* | *Total funds 2024 £* |
|---|---|---|
| Current assets | *1* | *1* |
| **Total** | *1* | *1* |

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

| | 2025<br>£ | *2024*<br>*£* |
|---|---|---|
| Net income for the year (as per Statement of Financial Activities) | **1,277,604** | - |
| **Adjustments for:** | | |
| (Increase) in debtors | **(646,447)** | - |
| Increase in creditors | **52,188** | - |
| **Net cash provided by operating activities** | **683,345** | - |

## 12. Analysis of cash and cash equivalents

| | 2025<br>£ | *2024*<br>*£* |
|---|---|---|
| Cash in hand | **683,345** | - |
| **Total cash and cash equivalents** | **683,345** | - |

## 13. Analysis of changes in net debt

| | Cash flows<br>£ | At 31 December 2025<br>£ |
|---|---|---|
| Cash at bank and in hand | **683,345** | **683,345** |
| | **683,345** | **683,345** |

## 14. Related party transactions

The Foundation's sole member is The Conduit Holdco Limited ("CHL"). The Foundation and CHL have entered into a Strategic Partnership Agreement governing the provision of operational support and the delivery of charitable programmes. Under these arrangements the Foundation may enter into transactions with CHL, including the award of subgrants to support charitable activities.

During the year, the Foundation awarded grants totalling £1,495,574 (2024: £nil), of which £949,126 (2024: £nil) has been recognised as expenditure in the year, to CHL. Amounts due to CHL at 31 December 2025 were £nil (2024: £ nil) and amounts due from CHL were £nil (2024: £nil).

At 31 December 2025, a balance was due to CHL of £39,688 (2024: £nil) in respect of support costs expenditure incurred by CHL on behalf of the Foundation. These amounts are provided interest-free and the Foundation has received confirmation that repayment will only be requested when the Foundation has sufficient financial resources to do so.

Paul Van Zyl, a trustee of the Foundation, is Chief Executive Officer of CHL and is therefore regarded as conflicted in matters relating to transactions between the Foundation and CHL. In accordance with the Foundation's governing document, Governance Manual and conflict of interest procedures, he did not participate in decisions relating to grants, funding arrangements or other transactions involving CHL. Transactions with CHL, including subgrant arrangements, were considered and approved by the Foundation's independent trustees.

The trustees consider that all transactions with CHL were undertaken in furtherance of the Foundation's charitable objectives and were subject to the charity's conflict management and approval procedures.

## 15. Controlling party

The immediate and ultimate parent undertaking of The Conduit Foundation is The Conduit Holdco Limited (11018010), a company incorporated in England and Wales.

CHL's principal activities comprise the ownership, development and oversight of the wider Conduit group and its associated operations, including activities that support the group's social and environmental impact objectives.

The Foundation is controlled by CHL through its power to appoint and remove all of the Foundation's trustees. Through these governance rights, CHL is able to exercise control over the Foundation's relevant activities.

Consolidated financial statements incorporating the results of The Conduit Foundation are prepared by The Conduit Holdco Limited. Copies of these consolidated financial statements may be obtained from the registered office of The Conduit Holdco Limited at 9 Bonhill Street, London, England, EC2A 4DJ.