The Degrees Initiative

Annual report and financial statements 2025

Degrees Initiative

Period of financial statements: 1 January 2025– 31 December 2025

Company number:	**13290405**
Charity registration number:	**1196532**

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Reference and administrative details

Name:	The Degrees Initiative
Company number:	13290405
Charity registration number:	1196532
Registered address:	First Floor c/o Sedulo London Office 605, Albert House 256-260 Old Street London EC1V 9DD
Accountant:	Stuart Davis Associates UK Limited Bank Chambers St Petersgate Stockport SK4 5LL
Independent auditor:	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
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Chief executive officer:	Andy Parker
Trustees:	Oliver Morton (Chair) Mark Hilton (Treasurer) Dr Jacqueline Kado Pauliina Murphy Mohammed Rahman

The Degrees Initiative – 2025 Annual Report

Contents

Message from the Chair 4
Message from the CEO 5
Approach 7
Achievements 7
Progress to date 7
Timeline of key developments 8
Our volunteers 8
Impacts in 2025 8
Fund research 8
Amplify voices 9
Build community 10
Additional progress 11
Future plans 11
Fund research 11
Build community 11
Amplify voices 12
Structure, governance and management 12
Fundraising 12
Risks and uncertainties 13
Financial review 13
Going concern 14
Statement of trustees' responsibilities 14
Independent auditor's report to the members of the Degrees Initiative 16
Statement of financial activities 20
Balance sheet 21
Statement of Cash Flows 22
Notes to the financial statements 23

Message from the Chair

In my role as chair of Degrees' Trustees, the highlight of 2025 was undoubtedly the Degrees Global Forum. Hundreds of people gathered in Cape Town in May under our aegis for three days devoted to the discussion of solar geoengineering. They presented new ideas, debated different points of view and, most importantly, created the personal connections that are vital if this nascent and vital community is to flourish. Doing something this big for the first time represented a huge amount of work for the Degrees team; they rose to the challenge magnificently.

With help from the organisations that joined us as partners in creating the Forum, we were able to pay for 70 researchers from the Global South to come to the largest and most inclusive meeting on solar geoengineering there has ever been – and also to bring in policymakers seized with the importance of the topic. We look forward to repeating – and building on – the event's success at the next DGF, which will be held in Istanbul in 2027.

The Forum was not the only event at which Degrees demonstrated its deepening commitment to supplementing the research funding we do with policy engagement work. We organised policy workshops in Nairobi and in Bogotá, and we facilitated researchers' participation in events at New York Climate Week and in an online public seminar with Brazil's Ministry of Science, Technology and Innovation.

We also continued to encourage regional cooperation between research teams, with workshops in Singapore for researchers in Southeast Asia and in Bogotá for researchers from Latin America and the Caribbean working both in natural sciences and on social and political issues.

All these efforts were made possible by funders to whom we remain deeply grateful. The Quadrature Climate Foundation in the UK and the Navigation Fund in the USA both provided us with additional funding, allowing us to expand various efforts. We also received new funding from ARIA, an innovative research organisation funded by the British government, to work with researchers at the University of Cape Town and Cornell University on a project which aims to improve the quality and availability of the modelling data researchers in the Global South need for their studies of the impacts of solar geoengineering.

The generosity of donors allowed us to fund five new research teams and to renew grants to seven teams in Africa, four in Asia, two in South America and one in the Caribbean.

Throughout this year, I remained deeply impressed by the way the team at Degrees dealt with the welcome but sometimes vexing problems that come with rapid growth. And I remained grateful to the large number of volunteers who help them in their work, including my inestimable colleagues on the Board.

Oliver Morton



Chair of the Trustees

Message from the CEO

More than any other year, 2025 showed of Degrees' theory of change from front to back. A pithy summary of what we're trying to achieve goes along the lines of:

i. funding research creates experts;

ii. community-building activities turn disparate SRM researchers into a connected global cohort;

iii. that cohort then gets out and changes the world.

Of course, it's more complicated than that in reality, but we can show all stages of the process.

Research is the foundation because it's the most reliable way to create experts. This year, we awarded grants in five new countries – new to us and new to the study of SRM – Vietnam, Cabo Verde, Morocco, Jordan and the Republic of the Congo. While this was the starting point for these teams, it was also part of creating community: each team was 'sponsored' by a Southern SRM researcher already funded by us and ready to support new teams in low- and middle-income countries.

Our funded teams are producing research at pace: in August, the 50th Degrees-funded paper was published. In fact, it was two papers on one day: one by economics researchers in Mexico and another by a modelling team in Benin. Between August and December, twelve more papers were published, meaning half of all Degrees-funded papers were published in 2025. Thanks to these publications, the world now knows more about the potential impacts of SRM on future Caribbean wind and solar energy sources, on malaria transmission dynamics in South Asia, and on marine heatwaves off the coast of South Africa, among much else.

But research that lives only in the pages of periodicals, and experts who stay isolated on university campuses, are a tragically wasted resource. When people meet and ideas are shared, it can reshape how to world approaches an issue like SRM, and in 2025 we significantly invested in community activities.

We sent researchers to present their work at conferences around the world, including the Geoengineering Model Intercomparison Project annual meeting and a workshop hosted by the UN Environment Programme and the World Meteorological Organization. Alongside regional workshops we organised in Southeast Asia and in Latin America & the Caribbean, a coalition of African SRM researchers who came into SRM through Degrees grants branched out on their own, launching the African Climate Intervention Research Hub in May.

The biggest community-building event was the Degrees Global Forum, held in Cape Town 12—16 May. It was the largest SRM conference to date, hosting 300 participants from 49 countries across research, policy and society. Nearly half the participants were from the Global South, marking a true turning point in the character of the discussion around SRM.

As per our theory of change, once you have created a connected community of experts, they get out and change the world, and this was clear in 2025.

Many policymakers that first met our researchers at the Forum requested further meetings, building connections that will increase their knowledge and support them in discussion of SRM in policy settings. The Policy Engagement team has been the helping hand

behind this work, arranging workshops in Nairobi and Bogota that allowed policymakers to ask the questions most relevant to them.

Raising their profile also meant researchers made their voices heard this year; rather than just having 'a seat at the table', they are driving conversations. As well a powerful opinion in *Nature Climate Change*, African researchers pushed back against misrepresentations of solar geoengineering research on the continent.

In August, the IPCC, the UN body responsible for assessing the science related to climate change, announced the contributors for its seventh Assessment Report (AR7). Among them were 14 researchers who have received Degrees funding, showing how respected they are as climate experts on the global stage.

2026 will see us expanding our work across all stages of our theory of change, with new types of grants, more events, and greater coordination efforts across the burgeoning community of Global South SRM researchers.

I'll finish with the words of Ghana's Minister for Foreign Affairs, Hon. Samuel Okudzeto Ablakwa. At the 2025 Paris Peace Forum, he said: "Without inclusive governance, SRM risks becoming a tool of geopolitical imbalance rather than global solidarity … Yet, there is hope. Initiatives like the Degrees Initiative are empowering scientists from the Global South to participate in SRM research." We agree with his diagnosis and will keep working to create the conditions for inclusive governance by supporting Southern research and expertise.

Andy Parker



Chief Executive Officer

Approach

The Degrees Initiative is changing how the world evaluates solar radiation modification (SRM), also known as solar geoengineering.

If the world reaches a point where leaders must decide whether to use or reject SRM to reduce climate impacts, they will need trusted experts to advise on risks, benefits, trade-offs and governance.

For nearly 15 years, Degrees has led the world in building the capacity of developing countries to ask their own questions and do their own research, ensuring informed and confident representation in global discussions. We fund research, run outreach workshops and build communities, creating networks of independent experts.

To achieve our goals, we:

1. Fund research – Support the creation and growth of SRM expertise in the Global South by directly funding research in physical and socio-political sciences
2. Build community – Foster a global community of experts by galvanising South–South and South–North collaboration
3. Amplify voices – Connect Global South SRM experts with policymakers, ensuring informed global discussions

Neutrality is an important consideration for all our work. We are:

- neutral on SRM and will neither promote nor oppose it;
- impartial on whether it should ever be used and how it should be governed. But we are strong supporters of safe and informative SRM research;
- transparent about our funders, and our vision, mission and values.

Achievements

Progress to date

Degrees runs the largest SRM research programme in the world. We have supported more than 259 researchers working across 42 projects in 27 developing countries, awarding over $5 million in grants.

The first projects were funded in 2018, focusing on modelling studies. In 2024, we launched a new funding stream for socio-political studies on SRM. With our support, Degrees researchers have published more than 60 papers in peer-reviewed journals, with many presenting their work at high-level conferences and contributing to key international reports.

The experts that emerge from our programme go on to have an outsized impact on the field. They serve on UN panels, engage with local policymakers and ensure that when SRM is discussed, there are leading Southern voices to defend their interests and push back against misinformation.

Timeline of key developments

- 2010 – Began work as the SRM Governance Initiative (SRMGI)
- 2011 – Shifted focus to the Global South with the launch of our global workshop series
- 2018 – Awarded first grants for SRM modelling research in developing countries
- 2021 – Selected as a Paris Peace Forum Scale-Up Project and became the Degrees Initiative
- 2023 – Doubled funding of SRM modelling research in the Global South
- 2024 – Launched new funding stream for socio-political research into SRM
- 2025 – Held the Degrees Global Forum on SRM, convening 300 participants from around the world

Our volunteers

The teams are supported by some of the world's leading SRM modelling experts, including seven scientists from the Global South who started working on SRM through Degrees grants. This year, as well as new volunteers joining as research collaborators, eight researchers volunteered their time to serve on the committee for the Degrees Global Forum, including five from the Global South. All volunteers offer their time because they believe in Degrees' mission. None of the volunteers received any payment for their support in 2025.

Impacts in 2025

In last year's report, we set out what we hoped to achieve in 2025, in the areas of research funding, outreach and community building. Below we set out our progress against these objectives, and other achievement beyond them.

Fund research

- *Fund new modelling teams in new countries as a result of a sponsored call for proposals*

We awarded modelling grants to teams in five new countries:, Morocco, Jordan, Cabo Verde, the Republic of the Congo, and Vietnam. In a boost to our community-building efforts, each of the four latter team was sponsored by, and will be supported by, experts from established modelling teams (Cameroon, Malaysia, Mali and Benin, respectively). For Vietnam, the Principal Investigator was previously a member of the Indonesian team and now leads his own team. Degrees is now seeding second-generation leadership and South-South mentoring.

- *Fund continuation and expansion grants to support high-performing existing teams*

We renewed the grants of 14 modelling teams that first received funding in 2023, so they can continue to build on their research: Brazil, Malaysia, Cameroon, Chile, India, Thailand, South Africa, Benin, Pakistan, Ghana, Jamaica, Nigeria, Mali and Uganda. These teams are deepening their knowledge and becoming recognised experts in the field.

Expansion grants, aiming to support the best-performing teams with substantially larger grants, will be launched in early 2026.

- *Introduce structured non-financial support systems, such as training, access to data, and policy engagement, to enhance research teams' impact and sustainability*

Training in communications with media and policymakers began with ad-hoc sessions, with a more formal plan to follow. We secured funding for a new project that will allow better access to data in future years (see Additional progress section below). We began our policy engagement work in earnest in 2025 (see Outreach section below). The work these experts do is now being communicated outside of academic circles and creating real-world impact.

Amplify voices

- *Create a policy engagement strategy to build capacity for SRM governance in the Global South, strengthen science-policy linkages, and promote evidence-based decision-making*

We began policy engagement activities in late 2024 and substantially built on them in 2025, primarily through a series of workshops with different regional policymakers.

At the Degrees Global Forum in Cape Town in May, policymakers from across Africa, Asia and Latin America and the Caribbean met Degrees-funded researchers from their regions. Researchers shared their focus areas and current results, while the policymakers had a chance to ask questions and suggest the kinds of research that might be useful to them when discussing the topic at policy events.

These first meetings spurred some policymakers to request further meetings with their regional experts, building connections that will support them in discussion of SRM in policy settings.

- *Host capacity-building activities for policymakers, including webinars, learning materials, and face-to-face meetings*

We followed up on the success of the Forum with workshops in Nairobi and Bogota, plus participation in events at New York Climate Week, with Brazil's Ministry of Science, Technology and Innovation, and with UNEP and the WMO.

Our efforts to connect Southern SRM experts with policymakers is having an impact. At this year's Paris Peace Forum, the Ghanaian Minister for Foreign Affairs, Samuel Okudzeto Ablakwa, said: "Without inclusive governance, SRM risk becoming a tool of geopolitical imbalance rather than global solidarity … Yet, there is hope. Initiatives like the Degrees Initiative are empowering scientists from the Global South to participate in SRM research."

- *Support participation of Degrees and its funded researchers in major climate and/or environmental policy forums or events*

As noted above, Degrees-funded researchers participated in New York Climate Week, the Paris Peace Forum, and at events with Brazil's Ministry of Science, Technology and Innovation and UNEP and the WMO.

In addition, in August the IPCC announced the contributors for its seventh Assessment Report (AR7). Among them were 14 researchers who receive Degrees funding, showing how respected they are as climate experts on the global stage.

- *Improve external communications, through redeveloping the website, training researchers in media skills, and publishing high-quality thought leadership articles or op-eds in widely read outlets*

The website redevelopment project is well underway, alongside new branding, which will be rolled out in early 2026. We introduced basic media training sessions during regular researcher calls and at the planning workshop for the four new teams.

Raising their profile means Degrees-funded researchers made their voices heard this year. As well a powerful opinion in *Nature Climate Change*, African researchers pushed back against misrepresentations of solar geoengineering research on the continent, while Inés Camilloni from University of Buenos Aires was quoted in *New Scientist* about a survey of climate scientists on the likelihood of some solar geoengineering taking place by the end of the century.

Our CEO also appeared in *New Scientist* articles about geoengineering experiments and the waning taboo on the topic in scientific circles. Degrees' role in reshaping the geoengineering funding landscape was featured in an article in *E&E News*, making clear our crucial role in the SRM ecosystem.

Build community

- *Host the Degrees Global Forum on SRM in Cape Town from 12-16 May, with a target of around half the participants and speakers being from the Global South*

The Degrees Global Forum was the largest SRM gathering to date. It brought together 300 people from 49 countries to shape the future of SRM, convening researchers, policymakers, civil society groups, NGO representatives, and thought leaders to discuss the scientific, social, and political dimensions of SRM.

The week featured dynamic formats: plenaries, academic talks, panels sessions, fishbowl discussions and more than 90 posters. There were also sessions introducing new initiatives across the globe in the SRM space.

The majority of sessions were recorded, either as video or audio, which can be accessed via our YouTube channel or via the Forum agenda. We also produced a full report of the Forum. The Forum was a landmark in community building across the Global South and also between the Global Northa and South, bringing these groups together in unprecedented numbers.

- *Recruit multiple additional team members in 2025*

We recruited seven new staff in 2025 to better support our grantee teams as they become SRM experts. The new staff are:

- Dr Alastair Bradstock – Programmes Director
- Dr Lili Xia – Staff Scientist
- Alex Adams – Programmes Officer
- Dr Nilam McGrath – Scientific Writing and Publishing Lead
- Azeem Hussain – Operations Officer
- Juliet Olu-Akerele – Administrative Officer
- Audrey Shaw – Communications Officer

Additional progress

The 2024 annual report also articulated two overarching five-year goals: 1) T*urn emerging experts into global leaders*, and 2) *Move towards global SRM evaluation.*

Many of the above achievements mark important progress towards these goals. We made unanticipated further progress in 2025 thanks to a significant grant from the UK's Advanced Research + Invention Agency (ARIA). The grant allows us to progress two aspects of global SRM evaluation:

- *Reduce technical barriers to Southern research, such as by improving data access and boosting computing power*

The first work package of the Global to Regional Impacts Downscaling for Climate Cooling (GRID-CC) project is creating a repository of SRM research data and research results, hosted at the University of Cape Town, South Africa. Then, it will take data from the latest climate prediction models and apply techniques to make it more useful to Southern regions. This data will support more accurate models of the impacts of SRM to compare to those of climate change. Better and more accessible data will lead to inclusive, locally driven research across regions that can feed into policy processes.

- *Support coordinated regional studies on policy-relevant climate and SRM impacts that matter most, such as agriculture, health, sea level rise and extreme heat*

To demonstrate the power of the database created in the first phase, the project will then undertake a global impact study led by researchers in Africa, Asia, and South and Central America. Based on consultations with our researchers, it was decided the focus will be on agriculture – a topic relevant to all regions.

Future plans

Priorities in 2026

Looking ahead to 2026, we have some exciting things coming up for the Degrees Initiative.

Fund research

Our plans in 2026 include both widening and deepening research funding and the expertise that arises from these grants.

We will launch our first-ever Expansion Grants to increase our support to our top modelling research teams. The grants are designed to help established teams deepen their work and broaden their scientific ambitions. By providing larger, longer-term grants, we aim to address some of the practical challenges our scientists face. Specifically, the need for more dedicated time from principal investigators (PIs) and more stable career paths for young scientists.

Build community

Following the success of the Degrees Global Forum in 2025, we will be planning for a 2027 edition in earnest throughout 2026.

The hiring of a Scientific Writing and Publishing Lead in late-2025 means we will begin producing ‘state of SRM’ reports in 2026. These will initially be summaries of research results from different countries, building up to region-wide and global reports.

The GRID-CC project will also progress with the selection of teams to conduct studies on how SRM and climate change would likely affect local agriculture in particular.

Amplify voices

Our policy engagement will expand in 2026 with the hiring of a dedicated Policy Engagement Manager for Asia and the Pacific Islands. With focused specialists in each of our regions, we will be better able to convene knowledge exchanges with our researchers and relevant policymakers. We will also build on existing relationships, such as those forged at the Degrees Global Forum in 2025 between policymakers in Africa.

We also plan to develop a training programme in 2026 to answer the call from researchers for more skills in communications across public, policy and research communities.

Structure, governance and management

The charity’s headcount grew from eight people in January 2025 to fifteen people by the end of the period (average headcount eleven and a half). The trustee board meets at least annually to review the remuneration of key management personnel, which included the Chief Executive Officer (CEO) in this financial year. An annual review and appraisal process is conducted, with the pay policy considering annual inflationary salary increases and performance awards. In setting the remuneration of key management personnel the board considers market rates, skill sets and performance.

There were no changes in the make-up of the trustee board in the 2025 financial year. Trustees are appointed by a decision of the existing trustees under the terms of the Articles of Association. All trustees become members of the charity upon appointment. The process of determining the number of new trustees involved a review of the skillset of the current board, with the new trustees selection based on covering skills gaps and strengthening the Board’s holistic expertise. Once appointed, each trustee undergoes an induction with the CEO and the executive team to understand the charity’s work in detail.

Charity trustees have a duty to develop strategic plans to ensure that the charity provides public benefit and achieves its objects as set out in the governing document. These objects fall under the purposes defined by the Charities Act 2011. The trustees have referred to the Charity Commission’s general guidance on public benefit when reviewing the Degrees Initiative’s aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Fundraising

The charity’s fundraising was very successful in 2025 as we were able to grow and diversify our funding base with six funders in the year (seven including income from supporters of the Degrees Global Forum). This has put us in a strong position to achieve our future plans.

Our dedicated fundraising consultant with broad charitable, scientific, UK and international expertise, continued to work on securing multi-year funding from several major donors in 2026 and beyond. We are recruiting a full-time fundraising manager in 2026 to push forward reaching out to new potential funders across a spectrum of charitable trusts and foundations. They will engage with these prospects in a systematic way, creating a long-term structure to build a sustainable fundraising team. We apply for both core support and funds restricted to specific projects and purpose.

The charity does not engage with the general public with regards to any fundraising and only interacts with institutional donors. There are therefore minimal risks around persistent messaging or marketing. It has thus not registered with the UK fundraising regulator or any fundraising standards. No complaints were received during the year in relation to our fundraising.

When interacting with others, fundraisers ensure that they treat people fairly and with respect, explain the cause in a way that does not mislead people, and are sensitive to people who may be in vulnerable circumstances.

Risks and uncertainties

The trustees regularly review the risks and uncertainties to which the charity is exposed and continually work to enhance the systems and procedures that are in place to mitigate the Degrees Initiative's exposure to those risks. The key risks identified in 2025 were:

Team capacity and key person dependencies

The charity started the financial year with eight employees and thus faced the risk of key person dependencies and associated issues alongside that. Steadily growing to fifteen employees by the end of 2025 and scaling processes has attempted to reduce this risk (the average headcount increased from seven in 2024 to eleven and a half in 2025).

Financial review

This report covers the twelve months from 1st January 2025 to 31st December 2025. During the reporting period, the charity incurred expenditure of £2,788k (2024: £1,287k). £699k (2024: £421k) related to staff remuneration and related staff costs, £626k (2024: £411k) was granted to institutions, £623k (2024: £250k) went towards our outreach and community building work, £508k (2024: £203k) related to consultancy costs, and £153k (2024: £89k) of other supporting costs. A further £179k (2024: -£87k gain) has been recognised as an unrealised foreign exchange loss because the charity has a US dollar bank account in addition to a British pound sterling account.

During the period, the charity recognised income of £3,624k (2024: £2,574k). This represents funds from six major donors. Three of these, the funds from Quadrature Climate Foundation, the Advanced Research and Invention Agency (ARIA) alongside those from the LAD Climate Fund were restricted. Restricted income recognised during the period has been fully utilised in accordance with donor restrictions, with restricted expenditure equal to restricted income. The rest of the funds are regarded as unrestricted funds, in that they may be used for any activity within the charity's objects. At the end of the period, the charity held unrestricted

reserves of £4,341k (2024: £3,504k). The charity's policy is to hold unrestricted free reserves that are sufficient to cover three (£450k) to six (£900k) months' fixed expenditure and in extremis, the amount needed to wind down the charity in an orderly manner. The charity is therefore currently exceeding this target. This is partly due to the donation from the Navigation Fund (£1,096k) being received in December 2025. The charity expects reserves to move closer to its target range over the coming period in line with committed and anticipated expenditure in 2026 and beyond.

Further, the second instalment (£1,397k) of the restricted multi-year grant provided by the Quadrature Climate Foundation was provided in an advanced lump sum to cover future committed spending into 2026, thus providing the charity with deferred income of £853k (2024: £1,364k).

DI holds no investments as the charity is still new, with no formal policy in place yet. However, DI is exploring its options and plans to develop an investment policy. Per the fundraising section, DI's dedicated fundraising consultant is strengthening our likelihood to continue securing multi-year funding from several major donors in 2026 and beyond.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these financial statements. The trustees have concluded that there are no material uncertainties related to events or conditions that cast significant doubt on the ability of the charity to continue as a going concern. This is because of the reserves position of the charity at the end of the year and indications of the Board and the funders to continue the work of the charity into the foreseeable future.

For this reason, The Degrees Initiative continues to adopt the going concern basis in the preparation of its financial statements.

Statement of trustees' responsibilities

The trustees (who are also directors of The Degrees Initiative for the purposes of company law) are responsible for preparing the trustees' report and 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial

statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);

- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the board of trustees by: **Oliver Morton, Chair**



Approved by the board on:

11 June 2026

Independent auditor's report to the members of the Degrees Initiative

Opinion

We have audited the financial statements of The Degrees Initiative (the 'charitable company') for the year ended 31 December 2025 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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

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 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

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. 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 that are applicable to the charity and determined that the most significant are the Charities SORP FRS 102, the Charities Act, employment legislation, Health & Safety regulations and Data Protection regulations.
- We understood how the charity is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of minutes from trustee meetings and papers provided to the trustees.

We assessed the susceptibility of the charity's financial statements to material misstatements, including how fraud might occur. Audit procedures performed by the engagement team included:

- Identifying and assessing the design and implementation of controls in place to prevent and detect fraud;
- Challenging assumptions and judgments made by management and the trustees in its significant accounting estimates;
- Identifying and testing journal entries, in particular adjustments made at the year-end for financial statement preparation; and
- Assessing the extent of compliance with relevant laws and regulations by reviewing correspondence with regulators and legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would

become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Buzzacott Audit LLP

25 June 2026

Edward Finch (Senior Statutory Auditor)

For and on behalf of Buzzacott Audit LLP, Statutory Auditor
130 Wood Street
London
EC2V 6D

Statement of financial activities

(including income and expenditure account)

For the year ended 31 December 2025.

	Note	Restricted Funds	Unrestricted Funds	Total Funds	Total Funds
		2025	2025	2025	2024
		£	£	£	£
Income					
Donations and legacies	3	1,971,503	1,613,508	3,585,011	2,544,000
Other income		138	39,268	39,406	30,382
Total Income		**1,971,641**	**1,652,776**	**3,624,417**	**2,574,382**
Expenditure					
Charitable activities	4	1,971,641	636,873	2,608,514	1,373,615
Other Expenditure	4	-	179,084	179,084	(86,626)
Total Expenditure		**1,971,641**	**815,957**	**2,787,598**	**1,286,989**
Net movement in funds		**-**	**836,819**	**836,819**	**1,287,393**
Total funds brought forward		-	3,504,000	3,504,000	2,216,607
Movement in Year		-	836,819	836,819	1,287,393
Total funds carried forward		**-**	**4,340,819**	**4,340,819**	**3,504,000**

All the charity's activities derived from continuing operations during the above two financial periods.

There are no gains or losses other than those shown above in the current or prior period.

Balance sheet

As at 31 December 2025.

		Total Funds 31 Dec 2025	Total Funds 31 Dec 2024
	Note	£	£
Current Assets			
Cash at bank and in hand		5,160,113	4,601,440
Short term deposits		-	199,755
Debtors	7	95,208	141,282
Total Current Assets		**5,255,321**	**4,942,477**
Creditors: amounts falling due within one year	8	61,796	74,870
Net Current Liabilities		**61,796**	**74,870**
Deferred Income	9	852,706	1,363,607
Net Assets and Total Assets		**4,340,819**	**3,504,000**
Funds of the Charity			
Unrestricted funds		4,340,819	3,504,000
Total Funds		**4,340,819**	**3,504,000**

The financial statements were approved by the Board of Directors on: **11 June 2026**
Signed on behalf of the board of trustees by: **Oliver Morton, Chair**



Company number: *13290405*
Charity registration number: *1196532*

Statement of Cash Flows

For the year ended 31 December 2025.

		Total Funds 31 Dec 2025	Total Funds 31 Dec 2024
	Note	£	£
Cash flows from operating activities:			
Net movement in funds for the reporting period (as per the statement of financial activities)		**836,819**	**1,287,393**
Adjustments for:			
Decrease / (Increase) in debtors	7	46,074	(81,127)
(Decrease) / Increase in creditors	8&9	(523,975)	1,365,122
Net cash (used in) / provided by operating activities		**(477,901)**	**1,283,995**
Change in cash and cash equivalents in the reporting period		**358,918**	**2,571,388**
Cash and cash equivalents at the beginning of the reporting period		4,801,195	2,229,807
Cash and cash equivalents at the end of the reporting period		**5,160,113**	**4,801,195**

Notes to the financial statements

1. Company Status

The Degrees Initiative Ltd is a company limited by guarantee, registered in England (registration number: 13290405), and has no share capital. It is a charity registered in England and Wales (registration number: 1196532).

2. Accounting Policies

2.1. Basis of Preparation

These financial statements have been prepared for the 12 months ending 31 December 2025. Comparative information is provided in respect to the year to 31 December 2024.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in British pound sterling (GBP) and are rounded to the nearest pound. Several of the charity's donations are provided in US dollars (USD) and many of the charity's outgoing grants are contracted in USD and so the charity holds a USD client holding account with our accounting partner Stuart Davis Transaction Services Ltd. The balance of this USD account is converted to GBP in the financial statements.

The Trustees do not believe there to be any significant estimates or areas of judgement when preparing these financial statements.

2.2. Fund Accounting

The charity has adopted the following definitions of funds:

Unrestricted funds comprise the accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of The Degrees Initiative's general charitable objectives.

Restricted income funds compromise grants which are earmarked by the funder for specific purposes. Such purposes are within the overall aims of the charity.

2.3. Income

All income is accounted for when the charity has entitlement, there is probability of receipt, and the amount is measurable.

The charity's income comprises of grants and donations. Where the charity receives grants for defined programme activities, income is recognised to the extent that expenditure has been committed to the relevant programme as set out by the funder. This reflects the stage of delivery

of the funded activities and provides a reliable measure of the charity's entitlement to income, ensuring that income is matched to the related programme expenditure. In this case, cash received in excess of expenditure is included as a creditor (as deferred income) and expenditure in excess of cash included as a debtor (as accrued income).

Donations are recognised when receivable.

2.4. Expenditure

Expenditure is recognised when liability is incurred. Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

The grants that Degrees disseminates are paid in instalments over an extended period of time, and the expenditure on these grants is only booked once the grant conditions have been met and not when the initial grant is awarded. Grant costs are accounted for on a cash basis after each instalment is paid as no constructive or legal obligation exists until the payments have been made, with the cost recognised only when the charity ceases to control these resources.

Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued for but are noted as financial commitments in the notes to the financial statements.

All expenditure is stated gross of VAT as The Degrees Initiative is not registered for VAT, and no VAT costs are recoverable.

Expenditure related to charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries and includes both costs that can be allocated directly to such activities, plus those costs of an indirect nature necessary to support them.

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

2.5. Pension costs

The charity participates in the NEST pension. This pension is open to UK staff in the charity. The scheme is a multi-employer defined contribution scheme. Accordingly, these financial statements include pension costs payable on a defined contribution basis in accordance with Financial Reporting Standard 102 section 8.

2.6. Debtors

Debtors are recognised at their settlement amount, less any provision for non- recoverability.

2.7. Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisitions. Deposits for more than three months but less than one year have been disclosed as short term deposits.

2.8. Creditors and provisions

Creditors and provisions 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.

Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

2.9. Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these financial statements. The trustees have concluded that there are no material uncertainties related to events or conditions that cast significant doubt on the ability of the charity to continue as a going concern. This is because of the reserves position of the charity at the end of the year and indications of the Board and the funders to continue the work of the charity into the foreseeable future.

3. Analysis of Income

	Restricted Funds	Unrestricted Funds	Total Funds	Total Funds
	2025	2025	2025	2024
Donations and Legacies	£	£	£	£
Income from:				
Coefficient Giving	-	-	-	**1,521,213**
Outlier Projects	-	192,013	**192,013**	**196,001**
Quadrature Climate Foundation	1,866,123	-	**1,866,123**	**75,246**
Crankstart Foundation	-	200,000	**200,000**	**200,000**
The Navigation Fund	-	1,095,620	**1,095,620**	**388,450**
ARIA	63,565	-	**63,565**	-
LAD Climate Fund	41,815	-	**41,815**	**76,625**
DGF 2025 Partners	-	125,875	**125,875**	
Other Grants	-	-	-	**86,565**
Other income				
Interest received	-	38,966	**38,966**	**13,730**
Income from reimbursed expenditure	138	302	**440**	**16,652**
Total Income	**1,971,641**	**1,652,776**	**3,624,417**	**2,574,382**

4. Analysis of Expenditure

	2025			2024
	Restricted	**Unrestricted**	**Total**	**Total**
	£	**£**	**£**	**£**
Staff and related costs	598,265	100,740	**699,005**	**421,273**
Consultancy	438,128	69,630	**507,758**	**202,535**
Outreach & community building	353,371	269,451	**622,822**	**249,851**
Grants	439,005	187,078	**626,083**	**411,022**
Support costs	142,872	9,974	**152,846**	**88,934**
Total	**1,971,641**	**636,873**	**2,608,514**	**1,373,615**

	2025	2024
Other Expenditure	**179,084**	**(86,626)**
Other expenditure in the year is unrestricted and relates to unrealised foreign exchange losses/(gains) on translating the USD account to GBP at the end of the year.		

5. Support Costs

	2025			2024
	Restricted	**Unrestricted**	**Total**	**Total**
	£	**£**	**£**	**£**
Governance	24,050	34	24,084	28,844
Fundraising Activities	10,394	-	10,394	-
IT Costs	75,047	7,215	82,262	20,024
Other	33,381	2,725	36,106	40,067
Total Support Costs	**142,872**	**9,974**	**152,846**	**88,935**

Included within governance costs are £16,680 (inclusive of VAT) of costs in respect of the charity's audit fee for the period (2024: £18,308).

6. Paid Employees

Staff Costs		
	2025	**2024**
	£	**£**
Salaries & Wages	523,015	324,437
Social Security Costs	67,380	35,896
Pension Costs	41,475	26,014
Total Staff Costs	**631,870**	**386,347**

Employee Banding	2025	2024
	Number of Employees	Number of Employees
£60,001 to £70,000	1	0
£70,001 to £80,000	2	1

Key Management Personnel	2025	2024
	£	**£**
The amount paid to key management personnel	91,394	90,095

The above amounts are the total remuneration including employee pension contributions and employer's national insurance contributions received by key management personnel for their services to the organisation. The key management personnel comprise the trustees together with the Chief Executive Officer. No trustee received any remuneration in respect of their services as a trustee during the year (2024: none).

Average Headcount		
The average headcount for the year was	**11**	**7**

Pension Scheme		
The charity operates a defined contribution scheme	**2025**	**2024**
	£	**£**
The amount of pension contributions recognised as an expense during the year was:	**41,475**	**26,014**

7. Debtors

	2025	2024
	£	£
Prepayments and Accrued Income	45,337	72,011
Other Debtors	49,871	69,271
Total	**95,208**	**141,282**

8. Creditors

	2025	2024
	£	£
Trade Creditors	2,337	5,993
Accruals	59,459	68,877
Total	**61,796**	**74,870**

9. Deferred Income

	2025	2024
	£	£
Deferred income at 1 January	1,363,606	-
Released during the year	(1,363,606)	-
Resources deferred in the year	852,706	1,363,606
Deferred income at 31 December	**852,706**	**1,363,606**

Deferred income relates to grant funding received in advance of performance obligations being met.

10. Commitments

The charity has no capital or operating lease commitments at 31 December 2025, nor any contingent liabilities (2024 – none).

11. Related party transactions

During the current period, no Trustees received remuneration (2024: none).

Apart from that disclosed in the financial statements, there are no other transactions with related parties that require disclosure (2024: none).