Company no. 14237798
Charity no. 1204664

The Chancery Lane Project

Report and Audited Financial Statements

31 December 2025

The Chancery Lane Project

Reference and administrative details

For the year ended 31 December 2025

Company number	14237798	
Charity number	1204664	
Registered office and operational	5 Laughton Lodge Common Lane Lewes East Sussex BN8 6BY	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:	
	Matthew Gingell	Chair
	Keya Advani	
	Jonathan Hakim	
	Lisa Jordan	(Resigned 1 December 2025)
	Jonathan Saverimuttu	
	Sarah Oliver Scemla	
	Stephen Thomas	
	Yasmin Waljee	
Key management personnel	Ben Metz	Executive Director
	Felix Cohen	Director of Digital
	Samantha Leahy-Harland	Director of Operations
	Simone Potter	Director of Programmes
Bankers	Natwest 8-11 Pavilion Buildings Castle Square Brighton BN8 1DP	
Auditors	Godfrey Wilson Limited 5th Floor, Mariner House 62 Prince Street Bristol BS1 4QD	

The Chancery Lane Project

Report of the trustees

For the year ended 31 December 2025

The trustees present their report and the audited financial statements for the period ended 31 December 2025.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Objectives and activities

Purposes and aims

The charity's objects ("Objects") are specifically restricted to:

1. For the public benefit, advancing the education of the public (including, without limitation, lawyers and law students) in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment and to promote study and research in such subjects (including, without limitation, the role of the law and contractual agreements in contributing to sustainable development and protecting, enhancing and rehabilitating the environment) provided that the useful results of such study are published;
2. Promoting sustainable development for the benefit of the public including without limitation by encouraging legal and contractual drafting practices which encourage businesses, investors and other actors to preserve, conserve and protect the environment and use resources prudently; and
3. Advancing any other exclusively charitable purposes under the laws of England and Wales which the trustees may from time to time determine.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

In 2025, The Chancery Lane Project (TCLP) crossed an important threshold. We moved from demonstrating that climate-aligned contracting *could* work to demonstrating that it *is* working, at scale, across sectors, and in the real economy.

Climate clauses are no longer theoretical drafting tools. They are being embedded in contracts, procurement frameworks and finance agreements that shape how the global economy operates.

In 2025, we demonstrated that climate contracting works. Our focus in 2026 now turns to making this standard professional practice.

2025 impact highlights

Reach and engagement

- 1,440 professionals engaged through events across 54+ countries;
- 314 enrolled in Climate Contracting in Action training (98% pass rate);
- Climate Clauses Working Group now has over 450 members from nearly 300 organisations from 124 sectors, 305 of which are multinationals, and 28 are part of the Financial Times Stock Exchange 100 Index;
- Over 73,700 users from 165 countries accessed TCLP’s digital resources;
- 209,300 views of TCLP climate clauses across 145 countries;
- More than 1,000 clause downloads and 375 guide downloads by practitioners;

- Website engagement deepened significantly, with page views more than doubling year-on-year;
- AI agents increasingly accessed TCLP content, with over 36,000 ChatGPT-related visits between May and December 2025; and
- 10 clauses linked to World Commerce and Contracting Association's (WorldCC) sustainable contracting library.

Behaviour change

- 78% of surveyed professionals reported climate-aligned changes to at least one form of organisational documentation;
- Over one third reported specific action in signed contracts or formal documentation;
- 73% said TCLP made their organisation more likely to include climate content in future contracts; and
- 88% intend to include climate-aligned content in the next 12 months.

Systems influence

- TCLP clauses referenced in The Law Society of England and Wales's Practice Note on Climate Change and Property; and
- TCLP became a member of the British Standards Institution's review panel SES/1/7/3 to help provide high-level input into the development of ISO 14060 Net Zero Aligned Organizations. The remit of the review panel is to help form the UK position at the various formal stages of consultation, by reviewing the draft and providing recommendations to the responsible BSI subcommittee SES/1/7 Greenhouse gas management and related activities.

Real world application

- A multinational consumer goods company collected 700+ product carbon footprints from its top 300 suppliers using TCLP-inspired clauses;
- A major automotive manufacturer achieved significant per-vehicle carbon savings by embedding decarbonisation provisions and active management of scope 3 emissions in supplier contracts, at no additional net cost; and
- The UK government adapted and adopted TCLP clauses in designing an approach to public procurement that ties carbon reduction obligations to the performance of individual public contracts, creating a replicable model with potential application to government procurement valued in the hundreds of billions of pounds.

Learning and improvement

- In 2025 we strengthened our Monitoring, Evaluation and Learning (MEL) framework in partnership with New Philanthropy Capital (NPC). This helped to clarify:
  - what behavioural change looks like in practice;
  - where contribution, rather than attribution, is the appropriate claim; and
  - which indicators most meaningfully reflect progress.
- We also strengthened our quality assurance processes. Eight climate scientists from five academic institutions reviewed approximately 60 glossary terms central to our clauses and guidance, improving scientific accuracy and alignment with emerging standards.

Financial review

The Charity's funding comes in the form of grants from trusts and foundations. During the period total incoming resources were £1,270,139 and expenditure of £1,803,715, providing a deficit of £533,576. This deficit was maintained using brought forward reserves built up through grant income received up front. We received grant income of £1,250,805, including grants from IKEA Foundation, Laudes Foundation, Draper Richards Kaplan Foundation, Quadrature Climate Foundation, Patrick J McGovern Foundation and Thomson Reuters. We received one grant from JJ Charitable Trust, which is held on the balance sheet as Conduit funds for David Hunter, as part of The Legal Imaginarium project.

At the end of 2025 our reserves levels are £1,307,417, of which £902,825 are considered general funds. £1,416,269 was held as cash at the end of the year. This level of cash is largely from grants provided up front which will be spent down over the next year.

Principal risks and uncertainties

The trustees maintain a strategic risk register which is reviewed regularly by the Management Team and Trustee Board.

The principle risks identified in 2025 are:

- **Financial sustainability:** reliance on a limited number of major grant funders and the absence of long-term recurrent income;
- **People and capacity:** ensuring the charity retains and recruits the skills required to deliver impact during a period of strategic development and external change; and
- **Impact measurement:** the inherent difficulty of directly measuring emissions outcomes attributable to contractual change.

Mitigations include strengthened financial planning, active fundraising and pipeline development, a structured strategic refresh process aligned to the external challenges, and enhanced MEL systems.

Reserves policy

This is laid out in our Financial Procedures manual, reviewed and approved by the Board annually.

As grant funding is often received in advance and spent over multiple years, headline reserve levels may appear high relative to annual expenditure. The trustees monitor cash flow carefully to ensure that sufficient reserves are held to meet staff-related wind-down costs and other contractual obligations in the event of an orderly closure.

At 31 December 2025 the staff related wind up costs were calculated as £289k, with additional committed costs calculated as c.£45k. Total reserves at the end of 2025 were £1,307,417 and general reserves were £902,825. This high level of reserves is due to grant funding which is received upfront and will be spent over the length of the grant.

Fundraising
Fundraising is focused on grant funding from trusts and foundations and is led by the Executive Director. The charity complies with relevant fundraising regulations and codes of practice. No complaints were received in relation to fundraising activities during the year.

Plans for the future
As we move into 2026, our mission remains constant: embedding climate and nature considerations into the legal and commercial frameworks that shape the global economy.

Strategic priorities for 2026 include:

- Scaling adoption;
- Strengthening evidence of impact through enhanced MEL systems;
- Building financial sustainability through diversified fundraising and disciplined cost management; and
- Expanding subject matter specific and geographically relevant content.

The trustees remain confident that TCLP's work is both timely and necessary, and that climate-aligned contracting is moving from innovation to emerging professional norm.

Structure, governance and management
The organisation is a charitable company limited by guarantee, incorporated on 15 July 2022 and registered as a charity on 11 September 2023.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Details of trustees who served during the year and to the date of the report are shown at the front of this report. New trustees are recruited and appointed by the existing trustees. The minimum number of trustees is three and the maximum is twelve. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 5 to the accounts.

The trustee board is responsible for the management and administration of the charity. An Executive Director is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Executive Director has delegated authority, within terms of delegation approved by the trustees.

Statement of responsibilities of the trustees
The trustees (who are also directors of the charity 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, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

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

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditors
Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 30 April 2026 and signed on their behalf by

Matthew Gingell

Matthew Gingell
Chair of Trustees

Independent auditors' report

To the members of

The Chancery Lane Project

Opinion

We have audited the financial statements of The Chancery Lane Project (the 'charity') for the year ended 31 December 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related 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 charity's affairs as at 31 December 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 5 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Independent auditors' report

To the members of

The Chancery Lane Project

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.

Opinion 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 includes the directors' report prepared 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 directors' report included within the trustees' report 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our 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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

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

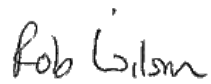
Independent auditors' report

To the members of

The Chancery Lane Project

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

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



Date: 30 April 2026

Robert Wilson FCA
(Senior Statutory Auditor)

For and on behalf of:
GODFREY WILSON LIMITED
Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

The Chancery Lane Project

Statement of financial activities *(incorporating an income and expenditure account)*

For the year ended 31 December 2025

	Note	Restricted £	Unrestricted £	**2025 Total £**	2024 Total £
Income from:					
Donations and legacies	3.	975,165	275,640	**1,250,805**	1,474,732
Investments		-	19,334	**19,334**	16,819
Total income		975,165	294,974	**1,270,139**	1,491,551
Expenditure on:					
Raising funds		-	114,881	**114,881**	96,822
Charitable activities		1,178,014	510,820	**1,688,834**	1,846,112
Total expenditure	4.	1,178,014	625,701	**1,803,715**	1,942,934
Net expenditure and net movement in funds	5.	(202,849)	(330,727)	**(533,576)**	(451,383)
Reconciliation of funds:					
Total funds brought forward		607,441	1,233,552	**1,840,993**	2,292,376
Total funds carried forward		404,592	902,825	**1,307,417**	1,840,993

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 13 to the accounts.

The Chancery Lane Project

Balance sheet

As at 31 December 2025

	Note	£	2025 £	2024 £
Fixed assets				
Tangible assets	8.		**2,588**	-
Current assets				
Debtors	9.	**9,065**		40,633
Cash at bank and in hand		**1,416,269**		1,860,416
		1,425,334		1,901,049
Liabilities				
Creditors: amounts falling due within 1 year	10.	**(120,505)**		(60,056)
Net current assets			**1,304,829**	1,840,993
Net assets	12.		**1,307,417**	1,840,993
Funds	13.			
Restricted funds			**404,592**	607,441
Unrestricted funds				
General funds			**902,825**	1,233,552
Total charity funds			**1,307,417**	1,840,993

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 30 April 2026 and signed on their behalf by

Matthew Gingell

Matthew Gingell
Chair of Trustees

The Chancery Lane Project

Statement of cash flows

For the year ended 31 December 2025

	2025	2024
	£	£
Cash used in operating activities:		
Net movement in funds	**(533,576)**	(451,383)
Adjustments for:		
Depreciation	**211**	-
Interest from investments	**(19,334)**	(16,819)
Decrease in debtors	**31,568**	784,435
Increase in creditors	**60,449**	27,364
Net cash (used in) / provided by operating activities	**(460,682)**	343,597
Cash flows from investing activities:		
Interest from investments	**19,334**	16,819
Purchase of property, plant and equipment	**(2,799)**	-
Net cash provided by investing activities	**16,535**	16,819
(Decrease) / increase in cash and cash equivalents in the year	**(444,147)**	360,416
Cash and cash equivalents at the beginning of the year	**1,860,416**	1,500,000
Cash and cash equivalents at the end of the year	**1,416,269**	1,860,416

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

1. Accounting policies

a) General information and basis of preparation

The Chancery Lane Project is a charitable company limited by guarantee registered in England and Wales. The registered office address is 5 Laughton Lodge, Laughton, Lewes BN8 6BY.

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Chancery Lane Project 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 note.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

1. Accounting policies (continued)

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities based on the proportion of staff time as follows:

	2025	2024
Raising funds	**6.0%**	4.2%
Charitable activities	**94.0%**	95.8%

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	4 years

Items of equipment are capitalised where the purchase price exceeds £2,000. One computer was purchased that exceeded this price (2024: none).

j) Debtors

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

k) Cash at bank and in hand

Cash at bank and cash 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.

1. Accounting policies (continued)

l) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Conduit funding

Conduit funds are monies received for third parties and do not belong to the charity. The incoming funds and outgoing payments are excluded from the Statement of Financial Activities. Any conduit funds in hand at the year end are shown as creditors in the accounts.

n) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

o) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

p) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no areas of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements this year.

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2024 Total £
Income from:			
Donations and legacies	1,059,375	415,357	1,474,732
Investments		16,819	16,819
Total income	1,059,375	432,176	1,491,551
Expenditure on:			
Raising funds	96,822	-	96,822
Charitable activities	1,846,112	-	1,846,112
Total expenditure	1,942,934	-	1,942,934
Net income and net movement in funds	(883,559)	432,176	(451,383)
Reconciliation of funds:			
Total funds brought forward	1,491,000	801,376	2,292,376
Total funds carried forward	607,441	1,233,552	1,840,993

3. Income from donations and legacies

	Restricted £	Unrestricted £	**2025 Total £**
Grants			
IKEA Foundation	700,000	-	**700,000**
Laudes Foundation	93,251	30,738	**123,989**
Draper Richards Kaplan Foundation	-	38,341	**38,341**
Quadrature Climate Foundation	-	188,017	**188,017**
Patrick J McGovern Foundation	181,914	-	**181,914**
Thomson Reuters	-	18,544	**18,544**
	975,165	275,640	**1,250,805**

Prior period comparative:

	Restricted £	Unrestricted £	2024 Total £
Grants			
IKEA Foundation	1,000,000	-	1,000,000
Laudes Foundation	-	232,940	232,940
Draper Richards Kaplan Foundation	-	77,894	77,894
Personio Foundation	-	84,556	84,556
Shoosmiths Foundation	59,375	-	59,375
Thomson Reuters	-	19,967	19,967
	1,059,375	415,357	1,474,732

4. Total expenditure

	Raising funds £	Charitable £	Support and £	**2025 Total £**
Staff costs (note 6)	86,025	1,049,578	307,989	**1,443,592**
Programmes consultants	-	63,429	29,900	**93,329**
Other people costs	-	2,046	22,263	**24,309**
IT & data costs	-	67,342	34,165	**101,507**
Travel & events	1,087	17,617	11,180	**29,884**
Comms & engagement	-	42,360	-	**42,360**
Finance costs	-	-	38,281	**38,281**
Other costs	-	2,770	27,683	**30,453**
Sub-total	87,112	1,245,142	471,461	**1,803,715**
Allocation of support and governance costs	27,769	443,692	(471,461)	**-**
Total expenditure	**114,881**	**1,688,834**	**-**	**1,803,715**

Total governance costs were £38,600 (2024: £38,759)

4. Total expenditure (continued)

Prior period comparative	Raising funds £	Charitable £	Support and £	2024 Total £
Staff costs (note 6)	70,661	1,016,773	348,610	1,436,044
Programmes consultants	-	71,619	-	71,619
Other people costs	-	1,624	81,418	83,042
IT & data costs	-	99,056	39,004	138,060
Travel & events	1,109	24,542	49,028	74,679
Comms & engagement	-	62,763	36	62,799
Finance costs	-	-	24,190	24,190
Other costs	-	50	52,451	52,501
Sub-total	71,770	1,276,427	594,737	1,942,934
Allocation of support and governance costs	25,052	569,685	(594,737)	-
Total expenditure	96,822	1,846,112	-	1,942,934

5. Net movement in funds

This is stated after charging:

	2025	2024
	£	£
Trustees' reimbursed expenses	**1,667**	**65**
Auditors' remuneration (excluding VAT):		
▪ Statutory audit	**10,500**	**9,950**

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statements.

Seven trustees were reimbursed for travel and subsistence costs totalling £1,667 relating to attendance at an all staff offsite. Trustees' expenses in the prior year relate to reimbursed travel and subsistence costs for one trustee.

6. Staff costs and numbers

Staff costs were as follows:

	2025	2024
	£	£
Salaries and wages	**1,213,130**	1,207,184
Social security costs	**142,523**	141,052
Pension costs	**87,939**	87,807
	1,443,592	1,436,044

	2025	2024
Employees earning more than £60,000 during the year:	**No.**	No.
£60,000 - £69,999	**6**	4
£70,000 - £79,999	**2**	-
£80,000 - £89,999	**1**	1
£90,000 - £99,999	**1**	1
£100,000 - £109,999	**1**	1

The key management personnel of the charitable company comprise the Trustees, Executive Director, Director of Operations, Director of Programmes, and Director of Digital. The total employee benefits of the key management personnel were £442,751 (2024: £485,068). The Director of Engagement role ceased in 2024.

6. Staff costs and numbers (continued)

	2025	2024
	No.	No.
Average head count	**18.3**	19.1

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year. No charity trustee received payment for professional or other services supplied to the charity.

7. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

8. Fixed Assets

	Computer Equipment
	£
Cost	
At 31 December 2024	-
Additions	2,799
At 31 December 2025	**2,799**
Accumulated Depreciation	
At 31 December 2024	-
Charge for the year	211
At 31 December 2025	**211**
Net book value	
At 31 December 2025	**2,588**
At 31 December 2024	-

9. Debtors

	2025	2024
	£	£
Other debtors	**4,789**	-
Prepayments	**4,276**	-
Accrued income	**-**	40,633
	9,065	40,633

10. Creditors: amounts falling due within 1 year

	2025	2024
	£	£
Taxation and social security	**51,145**	11,664
Trade creditors	**746**	24,726
Accruals	**32,539**	23,666
Conduit funds liability (note 11)	**36,075**	-
	120,505	60,056

11. Conduit funding

	2025	2024
	£	£
Balance at start of year	-	-
Funding received during year	45,675	-
Funding distributed during year	(9,600)	-
Balance at end of year	36,075	-

Conduit funds are monies received for third parties and do not belong to the charity. The charity passes them through the accounts under a unique project code as a service to other charities to help their charitable purposes, but does not claim gift aid nor has control over their use. The receipts and payments referred to above have been excluded from the Statement of Financial Activities. The balance at the end of the year is held as a liability (note 10). Conduit funding is held on behalf of JJ Charitable Trust, to be disbursed to David Hunter.

12. Analysis of net assets between funds

	Restricted funds £	General funds £	**Total funds £**
Fixed assets	-	2,588	**2,588**
Current assets	404,592	1,020,742	**1,425,334**
Current liabilities	-	(120,505)	**(120,505)**
Net assets at 31 December 2025	**404,592**	**902,825**	**1,307,417**

Prior period comparative	Restricted funds £	General funds £	Total funds £
Fixed assets	-	-	-
Current assets	607,441	1,293,608	1,901,049
Current liabilities	-	(60,056)	(60,056)
Net assets at 31 December 2024	607,441	1,233,552	1,840,993

13. Movements in funds

	At 1 January 2025 £	Income £	Expenditure £	**At 31 December 2025 £**
Restricted funds				
IKEA Foundation	588,570	700,000	(994,064)	**294,506**
Shoosmiths Foundation	18,871	-	(18,871)	**-**
Laudes Foundation	-	93,251	(87,276)	**5,975**
Patrick J McGovern Foundation	-	181,914	(77,803)	**104,111**
Total restricted funds	607,441	975,165	(1,178,014)	**404,592**
Unrestricted funds				
General funds	1,233,552	294,974	(625,701)	**902,825**
Total unrestricted funds	1,233,552	294,974	(625,701)	**902,825**
Total funds	1,840,993	1,270,139	(1,803,715)	**1,307,417**

Purposes of restricted funds

IKEA Foundation - A three year programmatic grant from the IKEA Foundation to enable the mainstream legal sector to use the power of contracts to create transformative climate action across the global economy. This grant is for all our current activities rather than any specific workstreams.

Shoosmiths Foundation - Funding for the pilot of a vocational e-learning course on climate contracting for business professionals and lawyers.

Laudes Foundation - Funding to increase and maintain impact from the Finance and Capital markets workstream.

Patrick J McGovern Foundation - A grant to develop our work to mitigate climate change by using AI to create climate-positive legal contracts.

13. Movements in funds (continued)

Prior period comparative	At 1 January 2024 £	Income £	Expenditure £	At 31 December 2024 £
Restricted funds				
IKEA Foundation	1,491,000	1,000,000	(1,902,430)	588,570
Shoosmiths Foundation	-	59,375	(40,504)	18,871
Total restricted funds	1,491,000	1,059,375	(1,942,934)	607,441
Unrestricted funds				
General funds	801,376	432,176	-	1,233,552
Total unrestricted funds	801,376	432,176	-	1,233,552
Total funds	2,292,376	1,491,551	(1,942,934)	1,840,993

14. Related party transactions

Lisa Jordan is an employee of the Draper Richards Kaplan Foundation, who provide funding to the charity. As part of their support to grantees they request that they have a seat on the board. They agreed a grant with The Chancery Lane Project within The Centre for Innovation in Voluntary Action to the value of $300k USD starting in November 2022. The grant was transferred to the Charity in November 2023. A total of £38,341 was recognised in relation to this grant in the reporting period (2024: £77,894). The grant ended in 2025 and Lisa Jordan resigned from the board of Trustees in December 2025.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.