PRI ASSOCIATION

COMPANY LIMITED BY GUARANTEE

BOARD REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR
ENDED 31 MARCH 2013

DIRECTORS

D Atkin E Bos D Russell W Engshuber G Saunders

SECRETARY

Bristows Secretarial Limited

COMPANY NUMBER

07207947 (England and Wales)

REGISTERED OFFICE

Bath Place Business Centre 2 Bath Place London EC2A 3DR

INDEPENDENT AUDITOR

Buzzacott LLP 130 Wood Street London EC2V 6DL

DIRECTORS' REPORT

The directors present their annual report and audited financial statements for the year ended 31 March 2013.

PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review continued to be that of a network of international investors working together to put the Principles for Responsible Investment into practice. The company is not for profit.

DIRECTORS

The directors in office in the year were as follows:

- E Gifford (Resigned 26 September 2012)
- D Atkin
- E Bos
- D Russell
- W Engshuber
- G Saunders

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain

the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

STATEMENT OF DISCLOSURE TO AUDITOR

Each of the directors confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006.

On behalf of the Board

G Saunders Director

Approved on 17 July 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRI ASSOCIATION

We have audited the financial statements of PRI Association for the year ended 31 March 2013 which comprise the income and expenditure account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the statement of directors' responsibilities set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its surplus for the year then ended:
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception We have nothing to report in respect of the following matters where 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.

Mark Worsey
(Senior Statutory Auditor)
for and on behalf of Buzzacott LLP,
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date 17 July 2013

INCOME AND EXPENDITURE ACCOUNT

	NOTES	2013 £	2012 £
INCOME	2	3,637,936	3,182,764
Administrative expenses		(3,501,043)	(2,746,003)
OPERATING SURPLUS	3	136,893	436,761
Other interest receivable and similar income Interest payable and similar charges	4	8,146 (294)	6,132
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		144,745	442,893
Tax on surplus on ordinary activities	6	121,292	(124,147)
RETAINED SURPLUS FOR THE YEAR	11	266,037 ======	318,746

BALANCE SHEET

	NOTES	2013 £	2013 £	2012 £	2012 £
FIXED ASSETS Tangible assets	7		350		1,425
CURRENT ASSETS Debtors Cash at bank and in hand	8	168,583 1,794,787		254,670 1,468,665	
		1,963,370		1,723,335	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	9	(439,007)		(466,084)	
NET CURRENT ASSETS			1,524,363		1,257,251
TOTAL ASSETS LESS CURRENT LIABILITIES			1,524,713		1,258,676
CAPITAL AND RESERVES Income and expenditure	11		1,524,713		1,258,676
SHAREHOLDERS' FUNDS			1,524,713		1,258,676

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board for issue on 17 July 2013

G Saunders Director

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

1.1 ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.2 INCOME

Income represents annual subscriptions paid by members, events income, voluntary donations and grants. Subscriptions are recognised on joining the association or on subsequent renewal dates, on an accruals basis. Events income is recognised as the event occurs. Donations are recognised on a receipts basis. Reimbursement grants are recognised in line with relevant expenses on an accruals basis.

1.3 RESEARCH AND DEVELOPMENT

Research and development expenditure is written off to the income and expenditure account in the year in which it is incurred. The company carries out research into responsible investment and the creation of sustainable capital markets.

1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £600 with an expected useful life exceeding one year are capitalised. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment 33.33% straight line Fixtures, fittings & equipment 33.33% straight line

1.5 LEASING

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 PENSION COSTS

Contributions in respect of the company's defined contribution scheme are charged to the income and expenditure account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

1.7 DEFERRED TAXATION

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.8 FOREIGN CURRENCY TRANSLATION

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.9 CASH FLOW

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

NOTES TO THE FINANCIAL STATEMENTS

2	INCOME Membership fees Income from PRI in Person events Grants	2013 £ 3,216,812 259,966 149,324	2012 £ 2,709,661 341,037 132,066
	Contributions to projects Other income - speakers' fees Income from PRI in Person is stated gross, before deduction of expenditure.	10,000 1,834 3,637,936 ======	3,182,764
3	OPERATING SURPLUS Operating surplus is stated after charging:	2013 £	2012 £
	Depreciation of tangible assets Loss on disposal of fixed assets Loss on foreign exchange transactions Operating lease rentals Auditor's remuneration	825 250 4,307 224,924 9,750	900 - 3,317 161,692 7,000
4	INVESTMENT INCOME	2013 £	2012 £
	Bank interest	8,146 8,146 =====	6,132 6,132 ======
5	DIRECTORS' REMUNERATION	2013 £	2012 £
	Directors' salaries Directors' pension contributions	108,331 2,245	118,861 4,342
		110,575	123,203

Of the 6 directors, director's remuneration is paid to 3 directors (2012: 3 directors). Retirement benefits are accruing to 1 (2012: 1) director under a money purchase scheme.

NOTES TO THE FINANCIAL STATEMENTS

6	TAXATION	2013 £	2012 £
	DOMESTIC CURRENT YEAR TAX UK corporation tax at 20% (2012: 26%) Adjustment for prior years	1,629 (122,921)	124,147 -
	TOTAL CURRENT TAX	(121,292)	124,147

During the year, PRI Association agreed with HMRC that the organisation does not carry on a taxable activity and therefore the prior year's tax charge in respect of this has been reversed.

COST At 1 April 2012 Disposals (900) At 31 March 2013 1,800 DEPRECIATION At 1 April 2012 On disposals (650) Charge for the year At 31 March 2013 At 31 March 2013 At 31 March 2013 At 31 March 2013 At 31 March 2012 DEBTORS Trade debtors Other debtors Trade debtors Other debtors Trade creditors Trade	7	TANGIBLE FIXED ASSETS		PLANT AND MACHINERY ETC
DEPRECIATION A1 1 April 2012 1,275 On disposals (650) Charge for the year 825 At 31 March 2013 1,450 NET BOOK VALUE At 31 March 2012 350 At 31 March 2012 1,425 Trade debtors 30,359 104,712 Other debtors 138,224 149,958 168,583 254,670 Trade creditors 2013 £ Trade creditors 207,501 10,898 Taxation and social security 54,815 165,091 Other creditors 176,691 290,095 439,007 466,084		At 1 April 2012		
At 1 April 2012 On disposals Charge for the year At 31 March 2013 NET BOOK VALUE At 31 March 2013 At 31 March 2012 At 31 March 2013 At 31 March 2012 At 31 March 2012 At 31 March 2013 At 31 March 2012 At 31 March 2013 At 31 March 2013 At 31 March 2012 At 31 March 2013 At 31 March 2012 At 31 March 2013 At 31 March 2012 At 31 March 2013 At 31 March 2012 At 31 March 2013 At 31 March 2012 At 31 March 2013 At 31 March 2012 At 31 March 2012 At 31 March 2012 At 31 March 2013 At 31 March 2012 At 31 March 2012 At 31 March 2012 At 31 March 2013 At 31 March 2013 At 31 March 2012 At 31 March 2013 At 31 March 2013 A		At 31 March 2013		1,800
NET BOOK VALUE At 31 March 2013 At 31 March 2012 350 8 DEBTORS \$\$\frac{1}{5}\$ \$\$\frac{1}{5}\$ Trade debtors 30,359 104,712 Other debtors 138,224 149,958 168,583 254,670 Trade creditors 2013 \$\$\frac{1}{5}\$ Trade creditors 207,501 10,898 Taxation and social security 54,815 165,091 Other creditors 176,691 290,095 439,007 466,084		At 1 April 2012 On disposals		(650)
At 31 March 2013 At 31 March 2012 1,425 8 DEBTORS Trade debtors Other debtors Other debtors Trade creditors Trade credit		At 31 March 2013		1,450
8 DEBTORS Trade debtors Other debtors Other debtors 9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR Trade creditors Taxation and social security Other creditors 10,898 Taxation 20,501 Taxation 20,501 To,691 To,691 To,691 To,995 To,995 To,898 To,907 To,691 To,898 To,907 To,898 To,907 To,907 To,907 To,907 To,907 To,907 To,907 To,907 To,908 To,907				350
8 DEBTORS Trade debtors Other debtors Other debtors 9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR Trade creditors Trade creditors Taxation and social security Other creditors 10,898 165,091 176,691 290,095 439,007 466,084		At 31 March 2012		
Other debtors 138,224 149,958 168,583 254,670 17	8	DEBTORS		2012
9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR Trade creditors Taxation and social security Other creditors 439,007 Taxation and social security 4466,084				
### CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR Trade creditors Taxation and social security Other creditors 439,007 **E \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$				
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Taxation and social security 54,815 165,091 Other creditors 176,691 290,095 439,007 466,084	9	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		Taxation and social security	54,815	165,091

NOTES TO THE FINANCIAL STATEMENTS

10 PENSION COSTS

DEFINED CONTRIBUTION

Contributions payable by the company for the year Contributions payable to the fund at the year end and included in creditors

2	013
	£

63,726

(13,267)



39,698

(5,443)

11 STATEMENT OF MOVEMENTS ON RESERVES

Balance at 1 April 2012 Profit for the year

Balance at 31 March 2013

INCOME AND EXPENDITURE ACCOUNT

1,258,676 266,037

1,524,713

=======

12 FINANCIAL COMMITMENTS

At 31 March 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2014:

2013 £ 2012 £

Operating leases which expire:

Within one year

53,400

50,400

13 CONTROL

During the year ended 31 March 2013, in the opinion of the directors there was no controlling party.

COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and does not have any share capital. The liability of the members in the event of the company being liquidated is limited to £1 per member.