

Company Registration No. 05013650
Charity Registration No. 1122330

CDP Worldwide
(A company limited by guarantee)

Annual report and consolidated financial statements

For the year ended 31 March 2021

CDP Worldwide
(A company limited by guarantee)

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Administrative details of the charity, its Trustees and Advisers

Board of Trustees

Katherine Garrett-Cox Chair
 Amy Metcalfe
 Annise Parker
 Christine Loh
 David Lubin
 David Wolfson
 Jane Ambachtsheer
 Jeremy Burke
 Michael Hugman
 Rachel Kyte
 Ramakrishnan Mukundan
 Stephen Chow

Company Secretary

Marcus Norton

Company Number

05013650

Charity Number

1122330

Principal Office

CDP Worldwide
 4th Floor
 60 Great Tower Street
 London
 EC3R 5AZ

Executive Leadership Team

Paul Dickinson	Founder Chair
Paul Simpson	Chief Executive Officer
Ateli Iyalla	MD CDP North America
Donald Chan	MD Asia Pacific Region (joined 1 October 2021)
Maxfield Weiss	MD CDP Europe
Mercedes Tallo	Chief Stakeholder Officer (joined 15 October 2021)
Nicolette Bartlett	Chief Impact Officer
Rene Gravenberch	Chief Information Officer
Vijay Doshi	Chief Financial Officer (joined 20 September 2021)

Auditor

Menzies LLP
 Centrum House
 36 Station Road
 Egham
 Surrey
 TW20 9LF

Bankers

HSBC Bank plc
 25 Islington High Street
 London
 N1 9LJ

CDP Worldwide
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Trustees' report (incorporating strategic report)
for the year ended 31 March 2021

The Trustees, who are also the directors of the charity, present their report and the financial statements for the charity and its subsidiaries (the group) for the year ended 31 March 2021. The Trustees' Report is also the Directors Report as required by S.417 of the Companies Act 2006, and the Trustees' Report as required by the Charities Act 2011. Within the Trustees' Report is a separate "Strategic Report" as required by S.414A of the Companies Act 2006. The financial statements comply with the requirements of the Companies Act 2006, the Charities Act 2011, the Charitable Company's Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2018) - "SORP 2018", and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Overview of CDP

CDP's vision is for a thriving economy that works for people and the planet over the long term. We request environmental information from companies, cities, states and regions to understand the impacts and dependencies that they have on the world's natural resources. Specifically, we collect information on climate change, forests and water security, and corporate strategies for managing these issues. The process of disclosing information to CDP incentivises companies and cities to measure, manage and reduce their impact on the environment and to build resilience. By providing this high-quality information to the market, CDP is changing the way businesses, investors, governments and cities make decisions and accelerating the transition to a sustainable economy.

We are headquartered in London and have further operations in Brazil, China, Hong Kong, India and Japan and operate through local partners in Colombia, Ireland, Peru, South Africa, South Korea, Taiwan and Turkey. North America is served through a legally separate independent 501c3 entity based in New York (CDP North America, Inc) and Europe through a legally separate charity based in Brussels (CDP Europe AISBL)

Our expenditure on charitable activities in the year was £17.6m (19/20: £14.9m) which was funded by a combination of philanthropic and government grants, fee for service income, licence and service fees received from CDP North America and brand administrative and service fees received from CDP Europe

Key strategic aims include:

- Providing an environmental disclosure platform for companies, financial institutions, cities and states and regions. This is aligned with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.
 - Advocating for Science Based Targets and transition plans that reduce emissions, avoid deforestation, deliver water security and build resilience to climate change. These are facilitated through our disclosure platform, data and tools.
 - Maximising our operating model to provide an outstanding service to the investors, companies, cities, states, regions and governments we work with.
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Significant activities, achievements and performance

Since April 2020, despite the global pandemic, CDP has seen remarkable progress. This included marking our 20th anniversary and reaching and surpassing the milestone of over 10,000 entities (companies, cities, states and regions) disclosing environmental data in late 2020 (leaping to over 14,000 entities in the 2021 disclosure cycle).

Significant progress was made at COP26 in Glasgow November 2021, with over 100 countries pledging to end deforestation by 2030 and the Glasgow Climate Pact providing a framework that can encourage capital shifts away from fossil fuels. It kept the prospect of keeping global warming below 1.5C or below alive, but only just. Success will require all actors to go full steam ahead with delivery. That means non-state actors must now take responsibility for ratcheting up climate action, including embracing stricter environmental disclosure regulation; this was highlighted by Paul Simpson in the Financial Times on the first day of the COP26 conference.

Significant strides on transparency and accountability mechanisms were made in Glasgow, from the launch of the Global Stocktake to the establishment of the International Sustainability Standards Board (ISSB), which will accelerate non-state action and encourage more ambitious policy from governments. In addition, the UN Secretary General announced the creation of an expert group to analyse private sector commitments to reach net-zero. CDP looks forward to engaging in and supporting this process, and to using our disclosure system to help drive forward even greater transparency and accountability among non-state actors.

A new strategy which builds on success

The global focus on the climate change crisis in 2021 helped see a 37% jump in the total number of companies disclosing through CDP, with corporate disclosures reaching over 13,000 in 2021. These significant numbers were welcomed by both Angela Merkel, Chancellor of Germany, and Michael Bloomberg, UN Special Envoy for Climate Ambition and Solutions, Founder of Bloomberg LP and Bloomberg Philanthropies, and Global Ambassador for the Race to Zero and Race to Resilience Campaigns.

There was also an increase of around 20% in the number of cities, states and regions disclosing environmental data through CDP in 2021.

Since marking our 20th anniversary at the end of 2020, the focus has been very much forward-facing, with the publication of CDP's new 2021-25 strategy Accelerating the rate of change.

Our new strategy sets out how CDP will drive more meaningful action by deepening its engagement, tracking and analysis, to ensure even greater transparency and accountability and ultimately catalyse transformation of the global economy. This includes widening CDP's scope beyond climate, water and forests to cover the full range of planetary boundaries and earth systems, including oceans, land use, biodiversity, food production and waste.

As part of this strategy CDP will begin scoring all companies against scientific benchmarks and transition plans. We will also further develop systems and processes with the aim of covering 90% of firms with the highest environmental impact by 2025.

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Disclosure results

- **Climate:** 13,100 companies responded to our 2021 disclosure cycle, an increase of 37% on the previous year. Of these, 272 made our prestigious 'A List', a slight fall in A-list numbers reflecting a slightly strengthened methodology for inclusion.
- **Water:** 3,368 companies disclosed on water security in 2021, a 14% year-on-year increase. Our report 'A Wave of Change' released in March 2021, highlighted progress in water security disclosures, including featuring corporate innovations such as no-rinse shampoos. It also calculated a total of US\$301 billion of business value is at risk unless companies improve and innovate around water use.
- **Forests:** A total of 864 companies reported to CDP on deforestation-related KPIs in 2021, a growth of over 25% in disclosure levels. Our November 2021 report 'Collective Action: Corporate Engagement in Landscape and Jurisdictional approaches' highlighted how new approaches that ensure corporates consider the context of the local environment, are likely to be key to achieving the deforestation pledge made at COP26
- **Financial Services:** Our 'Time to Green Finance' report, released at the end of April, was the first of its kind to analyse the financial services sector
- **Carbon Pricing:** In April 2021 CDP's Carbon Pricing report analysed climate change disclosures from nearly 6,000 companies to assess the state of internal carbon pricing by corporates alongside developments in regulation. According to the report, corporate adoption of carbon pricing is rising, with the number of companies using or planning to use an internal carbon price increasing 80% over just five years. This includes nearly half of the world's 500 biggest companies. The report was covered in depth by the Financial Times, amongst others.
- **New frameworks for Private markets and SMEs:** To help reach a wider spread of the global economy, CDP has created the first ever standardized environmental disclosure platform specifically for private markets and in September 2021 announced it was piloting this with a set of private market investors with US\$2.3 trillion of assets. We hope this will pioneer environmental disclosure in private markets. In November 2021 we also launched a new climate disclosure framework to empower small and medium-sized enterprises (SMEs) to disclose and take climate action.

Separately, our supply chain disclosure request backed by large purchasing organisations such as Google, L'Oréal, Walmart, and Toyota saw over 11,000 companies disclose through the supply chain, an enormous 40% rise year-on-year.

Cities, states and regions

Our work with cities has also been notable. Over half of the global population (55%) lives in cities; and urban areas also contribute around 70% of global emissions, putting them on the front line of the climate crisis. Their climate action is critical if we are to keep warming to below 1.5°C and ensure citizens now and in the future remain safe.

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Trustees' report (incorporating strategic report) **for the year ended 31 March 2021**

In 2021, for the first time, over 1,000 cities disclosed environmental data through the CDP-ICLEI Unified Reporting System. Many of these were featured in our report 'Working Together To Beat The Climate Crisis'. In November 2021 we unveiled that there is now a new generation of 95 cities that qualify for our cities A-list spanning every continent, and encouragingly almost half (48%) of CDP's A List cities are new additions in 2021.

This represents significant progress over the last few years, as in 2015, half of the cities on the 2020 A list (44/88) did not even report greenhouse gas emissions reduction targets. Today, they all report targets and 38% aim to reach net-zero emissions by 2050 or earlier.

Our partnership with Bloomberg Philanthropies for cities, states and regions led in May to a report revealing data tracking a decade of climate action across more than 800 major cities. It found that although over nine in ten disclosing cities claim to face significant climate hazards such as flooding, extreme heat and storms, nearly half do not have a climate adaptation plan to effectively protect their populations and infrastructure from these risks. Those cities represent a projected population of over 400 million people by 2030 - equivalent of 5% of the world's population at immediate risk in areas where there is a clear case for mitigating actions, including flood mapping, developing warning/evacuation protocols, and incorporating climate change into long term planning. Furthermore, the report highlighted that one in four disclosing cities cited budgetary capacity issues as a barrier to adaptation. This report was picked up in detail by The Guardian, Bloomberg, and AFP, resulting in well over 80 pieces of quality global coverage.

Other initiatives

The global challenges of climate change and environmental protection require a collaborative approach and many of the partnerships that CDP has created, or works with, have also seen progress this year. These include:

- **Unprecedented growth for the Science Based Targets initiative (SBTi)**, which has more than 2,000 companies committed to science-based targets (SBTs). SBTi announced a new strategy in July 2021 that aims to get 5,000 companies committed by 2025 and which makes a 1.5°C target the central ambition in its target-setting framework.

In its most recent Progress Report SBTi highlighted that companies with SBTs since 2015 have reduced their combined emissions by 25%, reducing annual emissions at a rate that exceeds that needed to limit warming to 1.5°C. At COP26 SBTi also launched the Net-Zero Standard providing a credible and independent assessment of corporate net-zero target setting, which enables companies to align their near- and long-term climate action with 1.5°C. The launch was featured in the Wall St Journal, Financial Times and Bloomberg.

- We continue to work with ISS ESG on Climetrics, a rating of climate impact for investment funds as featured in the Financial Times. The initiative, alongside CDP Temperature Ratings, helps increase demand for sustainable finance options.

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- Working with consultancy Oliver Wyman, our CDP Europe report in the last two years has been covered in Bloomberg, Les Echos and Reuters. In 2021 it found that European companies' current emissions reduction plans are not going far enough and would result in 2.7°C of warming by 2100 - that's almost double the 2015 Paris Agreement's target of 1.5°C. To cap warming at 1.5°C, Europe will have to cut emissions by 50% over the next decade, the report found.
- The We Mean Business Coalition, of which CDP is a founding partner, continued to grow its impact by scaling corporate commitments and action towards a net-zero economy and strengthening the dialogue between business and policy makers.
- CDP's partnership with BNP Paribas AM is helping the French Asset Manager sharpen its focus on biodiversity, whereby we are collaborating on a framework for companies to report their impact on nature. Shortly after, the co-chairs for the Taskforce on Nature-related Financial Disclosures were announced, which will become ever more integrated in CDP's activities in the coming months.

Investor engagement

June 2021 saw the latest CDP Non-Disclosure Campaign, which mobilises investors to engage directly with those companies that repeatedly fail to disclose through CDP.

This year the campaign brought 168 global investors and financial institutions with US\$17 trillion in assets, together to put pressure on some of the globe's highest impact corporations. Netflix, Alibaba Group, Rio Tinto and Roche Holding AG were among 1,320 companies from 51 countries being urged to disclose environmental data by their investors. Of these, a record-breaking 25% (328 companies) responded to at least one questionnaire after being targeted by investors in this year's campaign. These responding companies represented a combined market capitalization of US\$8.2 trillion.

The capital markets team is also actively involved in the continued work of the Investor Agenda, a collaborative initiative to provide investors with a consistent agenda for action on the four areas of investment, corporate engagement, investor disclosure and policy advocacy.

In September 2021 CDP launched the latest Science-Based Target campaign, which allows investors to help accelerate the adoption of science-based climate targets in the corporate sector, by collaboratively engaging companies.

The 2021 campaign saw 220 global financial institutions holding \$29.3 trillion in assets call on the world's highest impact companies to urgently set science-based emissions reduction targets in line with 1.5°C warming scenarios.

The number of financial institutions supporting this campaign is growing 60% year on year and following last year's campaign, over 154 new companies with combined emissions equal to Germany joined the Science Based Targets initiative (SBTi).

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Trustees' report
for the year ended 31 March 2021

Governance

Structure, Governance and Management

The charity is a company limited by guarantee. The objects and powers of the charity are laid down in the Memorandum of Association dated 13 January 2004. Rules regarding appointment, retirement, removal and disqualification of Trustees are laid down in the Articles of Association dated 13 January 2004, as last amended on 18 June 2019.

The Trustees delegate day to day management of the charity to the Executive Leadership Team (ELT). A business plan is agreed by the Trustees at the start of each year, including operational plans and financial budgets to be delivered by the ELT. The ELT must account to the Trustees for progress against the business plan and report on significant events occurring during the year at Trustee meetings which are held each quarter. Trustees set remuneration of senior management by reference to established benchmark levels, identified by an external organisation.

The Trustees have appointed an Audit and Risk Committee which acts with the authority of the Trustees and meets with the ELT representatives quarterly, to review financial performance in detail.

Recruitment and training of Trustees

Trustees are recruited globally from senior figures in finance, industry, government and the non-profit sector. The charity management and the Board of Trustees look for recruits who are passionately interested in climate change, forests, water security and the sustainable use of scarce resources and who can add to the significant skills and experience already represented on the Board.

Potential trustees may be asked to first serve on one of the Advisory Boards, established in major areas of operation around the world, which have no statutory powers, but which provide guidance to the charity's local operations.

The charity requires that all Trustees take responsibility for their own training. A number of the Trustees have served or are serving as trustees to other charities, and all are aware of their responsibilities. Legal advice is available from CDP's General Counsel who is supported by specialist external charity lawyers and a number of major international law firms who offer their services on a pro bono basis.

Trustees

Amy Metcalfe was appointed as a Trustee on 23 September 2020 and Michael Hugman was appointed as a Trustee on 15 December 2020. Since the year end David Lubin was appointed a Trustee on 15 December 2021.

Takejiro Sueyoshi resigned as a Trustee on 18 February 2021 and Justin Johnson resigned as a Trustee on 16 March 2021. Since the year end, Martin Wise resigned as a Trustee on 16 June 2021. We thank them for their contribution to CDP.

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Trustees' report **for the year ended 31 March 2021**

Group structure

The charity has a wholly owned UK operating subsidiary, CDP Operations Limited, whose purpose is to generate funds from service-based activities to support the charity's activities. The charity also has wholly owned subsidiaries in Germany, India, China and Hong Kong. Control is exercised over companies in, Brazil, India and Japan through the ability to control financial and operational policies including majority Board representation.

CDP Europe AISBL, to which the European activities of CDP Worldwide were transferred on 29 January 2020, is an independently incorporated entity and hence is not consolidated into CDP Worldwide. It has charitable status and is authorised to use the intellectual property owned by CDP Worldwide including the name 'CDP', the symbol 'CDP' and the trademarks of CDP Worldwide. CDP Europe AISBL pays CDP Worldwide an annual brand administrative fee based on agreed percentages of income and a service fee for shared global programmatic costs such as the CDP questionnaire platform and database, general questionnaire support across all programmes and support of the global mission related activities in climate change, forests, water security and cities and investor initiatives ('SFA').

CDP North America, Inc is an independently incorporated entity and hence is not consolidated into CDP Worldwide. It has US 501c3 tax exempt status and is authorised to use the intellectual property owned by CDP Worldwide including the name 'CDP', the symbol 'CDP' and the trademarks of CDP Worldwide. CDP North America, Inc pays CDP Worldwide an annual licence and service fee based on agreed percentages of income to cover global programmatic costs such as the CDP questionnaire platform and database, general questionnaire support across all programmes and support of the global mission related activities in climate change, forests, water security and cities and investor initiatives ('LSF').

Where our income comes from

Our income in the 20/21 year came from four main sources:

- Philanthropic and government grants - £14.1m (19/20: £9.7m)
- Service-based activities principally supply chain, reporter services, corporate partnerships and sponsorships - £4.0m (19/20: £4.8m)
- Other corporate-sourced income, including investor memberships, data sales and company responder and investor administrative fees - £1.9m (19/20: £3.0m)
- The LSF and SFA fees received from CDP North America and CDP Europe - £3.7m (19/20: £1.7m)

Our total income rose from £19.2m to £23.7m, resulting from the continued growth of the philanthropic and government grants including £2.6m of funding for the Next Generation Disclosure programme. The 19/20 year also included ten months of income for CDP's European operations up to 29 January 2020 when those operations were transferred to CDP Europe AISBL.

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Where the money is spent

Charitable expenditure

Our charitable expenditure is analysed as follows:

	2021	2020
	£m	£m
Climate change, forests and water security.	10.9	9.2
Institutional investor engagement	1.5	3.3
Disclosure and action by Cities, states and regions	2.6	2.4
New Disclosure Platform implementation and integration	2.6	-
Total	17.6	14.9

The Next Generation Disclosure programme aims to transform our disclosure process to improve both the customer experience and reach new disclosers, driving increased levels of administrative fees and fee for service income.

Analysis by nature of expense

Our total costs are analysed by the nature of the expense as follows:

	2021	2020
	£m	£m
Staff costs	16.3	13.9
Other direct costs	2.8	3.2
Support costs	3.0	2.6
Total	22.1	19.7

Staff costs have increased reflecting the increase in higher paid employees for grant fulfilment purposes, despite a net fall in the average number of employees from 302 to 287 in the year as result of the transfer of CDP Europe. The average cost per directly employed staff member (including employer and pension costs) increased from £43,000 to £50,000. This reflects both the transfer of CDP Europe and hires made to fulfil Next Generation Disclosure and strengthen our Technology team.

Direct costs are those external costs associated with both the CDP Disclosure Platform and delivering external grants. They include third party technical support, report costs and communications, travel and the costs of running workshops or other events required under grant agreements. They have decreased year on year by £0.4m to £2.8m due to a decrease in travel and events because of the pandemic restrictions.

Support costs, which include premises, telecoms and IT costs, increased from £2.6m to £3.0m representing 18.7% and 19.0% of staff costs respectively. The increased percentage was mainly due the increased telecoms and IT costs associated with enabling staff to work from home.

Unrestricted, restricted and total funds

The movement in unrestricted funds is a key indicator of the sustainable financial performance of CDP. The net increase in unrestricted funds in the 20/21 year was £1.1m bringing total unrestricted funds at 31 March 2021 to be a £2.8m negative balance.

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Trustees' report **for the year ended 31 March 2021**

To provide further liquidity to CDP Worldwide, on 30 March 2021 CDP North America agreed a promissory note of \$1.7m which is in addition to existing loans of €1.3m from CDP Europe.

The increase in restricted funds reflects that the organisation is adding new restricted funds faster than we spend to deliver against objectives.

In 20/21 the net increase in restricted funds is £0.5m reflecting the pattern of contributions and activity on grants. At 31 March 2021 total restricted funds were £4.4m, of which £1.8m related to the Bloomberg Cities grant, £0.9m related to the Breakthrough Energy Catalyst Foundation grant, with the remaining £1.7m covering grants including ClIFF, the Norwegian Agency for Development Co-operation and AKO Foundation.

At 31 March 2021 total funds were £1.6m (31 March 2020: £nil).

Reserves policy

The Trustees have previously identified a minimum of two months' direct charitable expenditure at all times during the year as an appropriate level of funds to be held in reserve to enable the organisation to ensure continuing operation in the event of contingencies and to provide working capital for day-to-day activities.

At 31 March 2021 total reserves were £1.6m and hence represented 1.1 months of direct charitable expenditure (31 March 2019: no months). Actions continue to be taken to address this position.

Going concern

Based on detailed operational and cash flow projections, the Trustees consider that there is a reasonable expectation that CDP Worldwide has adequate resources to continue in operational existence for at least 12 months following approval of these financial statements. Key factors in reaching this conclusion are:

- The shared mission of the CDP Worldwide Group, CDP North America and CDP Europe which has ever-increasing relevance and funding.
- The strong financial performance of CDP North America and CDP Europe and the associated growth in the amounts contributed to CDP Worldwide Group via SFA and LSF agreements.
- The improved financial performance of CDP Worldwide in the year ended 31 March 2021.
- Detailed operational budget and cash flow projections for CDP Worldwide Group.
- The continuation of loan funding from CDP North America and CDP Europe.

Principal Risks and Uncertainties

The Board of Trustees has overall responsibility for the system of internal control for CDP Worldwide and its subsidiaries, which includes ensuring that there are reasonable procedures in place for the prevention and detection of major risks, including fraud and other irregularities.

All such frameworks are designed to mitigate (not eliminate) risks and to provide reasonable (not absolute) assurance against material errors or loss.

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Trustees' report
for the year ended 31 March 2021

CDP operates a comprehensive annual planning and budgeting process. This process and the annual budget are approved by the Board of Trustees. Performance is monitored using activity and financial targets and reported to the Audit and Risk Committee and the Board of Trustees.

CDP has risk management policies and procedures through which risks arising from the existing operations and strategic developments are identified and managed. Risks are assessed by the Executive Leadership Team to identify and analyse risk-relevant activities. Risks are assessed according to the potential impact on CDP and their likelihood of occurrence. Controls are in place, or are being developed or enhanced, to manage the risks. Key strategic and operational risks are reviewed and monitored by the Executive Leadership Team. In response to the growth of CDP we continue the process of reviewing our operating model with the aim of creating a more effective organisation with the consequent benefits on managing business risks. This will also include the embedding of risk assessment at project plan and departmental strategy level.

CDP holds insurances covering physical assets, public liability, professional indemnity, Trustees and executive officers' duties and business travel.

Major risks

Governance

- Organisational structure, direction, strategy and forward planning is not of sufficient quality
- Inability to secure Trustees with relevant skills and commitment

Management of this risk

- Strategy developed between Trustees and ELT and progress monitored at quarterly Trustee Meetings and an annual full-day strategy meeting.
- Trustee recruitment periodically considered and supported by an external search agency and thorough assessment and interview processes.

People

- Failure to recruit, develop and retain staff with the required skills and talent to deliver our strategy
- Recurrence of COVID restrictions including work from home orders and school closures leading staff being unable to work at full meet their ongoing commitments.

Management of this risk

- People strategy and planning including focus on personal development opportunities
- Benchmarking of salaries and benefits
- Regular staff surveys and action to address of points raised
- Support for virtual working and flexible working provided and staff wellbeing programme of activities and support

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Contractual and other commercial risk

- Contracts contain unfavourable or onerous terms
- Services delivered do not fulfil customer requirements
- Services offered compromise CDP's independence as an organisation
- Competition with other organisations offering similar services

Management of this risk

- Significant contracts reviewed by CDP's group legal counsel
- Monitoring of customer feedback, complaints, incidents and trends
- Clearly established policies on independence and separation of activities to independent third parties if appropriate
- Regular review of the competitiveness of services offered

Financial risk

- Failure to achieve philanthropic and government funding or fee for service income targets
- COVID impact on economy leading to reduced income
- Non-compliance with the detailed financial reporting requirements and cost eligibility rules on grants leading to clawbacks
- Exposure to foreign currency fluctuations
- Failure to hold sufficient levels of reserves
- Counterparty risk on cash balances

Management of this risk

- Mixed-funding model with diversified income streams
- Prudent, cautious budget adopted for 21/22 year given ongoing COVID uncertainty
- Regular monitoring of income, costs and cash against budgets which are set annually for programmes and functions
- Hedging of significant contracted foreign exchange transactions
- Established reserves policy regularly reviewed by Trustees
- Cash balances held with high quality counterparties

External factor risk

- Changes in the external political environment, regulatory intervention or disintermediation of data collection
- Major economic downturn affecting the ability of corporates to buy fee for service offerings and governments and philanthropists to provide grant funding

Management of this risk

- Monitoring of proposed legal and regulatory changes and contribution to key initiatives such as the TCFD and ISSB.
- Focus on the competitiveness of services, securing long-term agreements and flexibility in operating structure

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for the year ended 31 March 2021

Compliance and reputational risk

- Failure to comply with laws and regulations in the geographies that we operate
- Going outside of our charitable objectives into areas such as lobbying or anything that could call in to question CDP's impartiality and brand
- Attracting adverse publicity through individual or collective action or experiencing a targeted campaign to discredit CDP

Management of risk

- Preventative policies and procedures including regular staff updates
- Regular consultation with expert external law firms
- Well-developed communication responses to crisis situations

Public benefit statement

The Trustees have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission.

Auditors

The auditors, Menzies LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Trustees' responsibilities

The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and the incoming resources and application of resources, including the net income and expenditure, of the group for that year. In preparing those financial statements, the Trustees, are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are responsible and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any 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 business.


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Trustees' report
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Statement of disclosure to auditors

So far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware. Additionally, the Trustees have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' Report (incorporating the strategic report) was approved by the Board of Trustees (which is also the Board of Directors) on 22 December 2021 and signed on its behalf by

DocuSigned by:

2AA7A3B5E5F24AA...

Katherine Garrett-Cox

DocuSigned by:

F6CCDB9E0B1F4A6...

Jeremy Burke

CDP Worldwide
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Independent auditor's report to the Members of CDP Worldwide
for the year ended 31 March 2021

OPINION

We have audited the financial statements of CDP Worldwide (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2021 set out on pages 19 to 38. 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 group's and of the parent charitable company's affairs as at 31 March 2021 and of the group's 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 and the Charities Act 2011.

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 director's 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 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CDP Worldwide
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Independent auditor's report to the Members of CDP Worldwide (continued)

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 including the Group strategic report for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report and the Group strategic report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 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 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 TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees 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 directors 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

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Independent auditor's report to the Members of CDP Worldwide (continued)

- The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including the Companies Act 2006, Charities Act 2011, GDPR and the UK Code of Fundraising Practice. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- We understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management, those responsible for legal and compliance procedures and the company secretary. We corroborated our inquiries through our review of board minutes.
- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur. As a result of the above procedures, we considered that the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the posting of fraudulent journal entries, fictitious employees and timing of revenue recognition.
- Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - Challenging assumptions and judgments made by management in its significant accounting estimates;
 - Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
 - Carrying out checks to establish the validity of employees, and
 - Reviewing and verifying the basis on which income is recognised in the accounts

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.
charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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Independent auditor's report to the Members of CDP Worldwide (continued)

USE OF OUR REPORT

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

DocuSigned by:

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Janice Matthews FCA - (Senior Statutory Auditor)

For and on behalf of Menzies LLP, Statutory Auditor
Chartered Accountants
Centrum House
36 Station Road
Egham
Surrey
TW20 9LF

Dated: 22-Dec-2021

CDP Worldwide
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Note	£m Unrestricted funds	£m Restricted funds	£m Year Ended 31 March 2021	£m Year Ended 31 March 2020
Incoming resources					
Income from charitable activities	2	5.1	10.9	16.0	12.6
Income from service-based activities	2/4	4.0	-	4.0	4.8
Donations and other income	2	3.7	-	3.7	1.8
Total incoming resources		12.8	10.9	23.7	19.2
Resources expended					
Expenditure on raising funds					
Dedicated fundraising expenditure	3	0.8	-	0.8	0.8
Expenditure on service-based activities	4	3.6	-	3.6	4.0
		4.4	-	4.4	4.8
Expenditure on charitable activities					
Expenditure on programmes	5	7.2	10.4	17.6	14.9
Other expenditure					
Interest expenditure		0.1	-	0.1	0.0
Total resources expended		11.7	10.4	22.1	19.7
Net incoming/(outgoing) resources before other recognised gains and losses		1.1	0.5	1.6	(0.5)
Loss on Transfer of European activities	25				(1.9)
Translation exchange differences		-	-	-	(0.2)
Net movement in funds		1.1	0.5	1.6	(2.6)
Analysed as:					
Net movement in unrestricted funds		1.1		1.1	(3.2)
Net movement in restricted funds			0.5	0.5	0.6
Total funds brought forward		(3.9)	3.9	0.0	2.6
Total funds carried forward		(2.8)	4.4	1.6	0.0

There are no recognised gains and losses other than those passing through the consolidated Statement of Financial Activities. All of the group's activities are continuing.

CDP Worldwide
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CONSOLIDATED AND CHARITY BALANCE SHEET
AS AT 31 MARCH 2021

		The Group		The Charity	
	Note	£m 2021	£m 2020	£m 2021	£m 2020
Fixed assets					
Intangible assets	9	0.4	0.5	0.4	0.5
Tangible assets	10	0.6	0.6	0.6	0.6
Investments	11	-	-	0.0	0.0
		<u>1.0</u>	<u>1.1</u>	<u>1.0</u>	<u>1.1</u>
Current assets					
Debtors	12	7.7	3.8	4.9	2.7
Cash at bank and in hand	13	2.8	2.0	2.0	1.5
		<u>10.5</u>	<u>5.8</u>	<u>6.8</u>	<u>4.2</u>
Creditors: amounts falling due within one year	14	(9.8)	(6.7)	(7.2)	(5.1)
Net current assets/(liabilities)		<u>0.7</u>	<u>(0.9)</u>	<u>(0.4)</u>	<u>(0.9)</u>
Creditors: amounts falling due more than one year	14	(0.1)	(0.2)	(0.1)	(0.2)
Net assets		<u>1.6</u>	<u>0.0</u>	<u>0.5</u>	<u>0.0</u>
Funds					
Restricted	16/17	4.4	3.9	4.2	3.8
Unrestricted	16	(2.8)	(3.9)	(3.6)	(3.8)
		<u>1.6</u>	<u>0.0</u>	<u>0.6</u>	<u>0.0</u>

The financial statements were approved by the Board of Trustees (which is also the Board of Directors) on 22 December 2021 and signed on its behalf by:

DocuSigned by:
Katherine Garrett-Cox
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Katherine Garrett-Cox

DocuSigned by:
JB
F6CCDB9E0B1F4A6...

Jeremy Burke

Company Registration No. 05013650

CDP Worldwide
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

	Note	£m 2021	£m 2020
Cash flows from operating activities	22	(0.6)	1.2
Cash flows from investing activities			
Fixed asset investment		(0.4)	(0.2)
Cash flows from financing activities			
New loans		1.9	0.4
Loan repayments		(0.1)	(1.8)
Increase/(Decrease) in cash in the year		<u>0.8</u>	<u>(0.4)</u>
Net cash balances brought forward		2.0	2.4
Net cash balances carried forward	23	<u><u>2.8</u></u>	<u><u>2.0</u></u>

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Notes to the financial statements
FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

The major accounting policies adopted by CDP Worldwide are set out below.

1.1 Basis of preparation of financial statements

The Financial Statements are prepared on a going concern basis, under the historical cost convention, and on an accruals basis. 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 2018) – “SORP 2018”. The Financial Statements have also been prepared in compliance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

CDP Worldwide constitutes a public benefit entity as defined by FRS102. The Charity is a private company limited by guarantee registered in England and Wales.

The members of the company are the Directors named on page 1.

In the event of the Charity being wound up, the liability in respect of guarantee is limited to £1 per member of the Charity.

The address of the registered office and principal place of business is CDP Worldwide, 4th Floor, 60 Great Tower Street, London, EC3R 5AZ.

The company's registered number is 05013650, the charity registration number is 1122330.

Going Concern

The Trustee Board's rationale for adopting the going concern basis of preparation is set out in the going concern section of the Trustee report

1.2 Disclosure exemption

The individual accounts of CDP Worldwide have also adopted the disclosure exemption from the requirement to present a statement of cash flows and related notes.

1.3 Basis of consolidation

The group financial statements consolidate the financial statements of the CDP Worldwide and its subsidiaries for the year ended 31 March 2021. The statement of financial activities (SOFA) and the balance sheet consolidate the financial statements on a line by line basis where appropriate. No separate Statement of Financial Activities (SOFA) is presented for the charity itself as permitted by section 408 of the Companies Act 2006. In order to comply with the Charities SORP the gross income and net incoming resources for the Charity for the year are disclosed in note 21.

1.4 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on the straight line basis over the lease term.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold Improvements	Over period of the lease
Fixtures, fittings and equipment	25% straight line
Computer equipment	25% straight line

Individual fixed assets costing £400 or more are capitalised as tangible fixed assets.

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Notes to the financial statements
FOR THE YEAR ENDED 31 MARCH 2021

1.6 Intangible fixed assets and amortisation

External expenditure on computer software and website and portal enhancements are amortised on a straight-line basis over their expected useful lives of 4 years or, in the case of software as a service (SAAS) contracts over the period of the software licence. These useful lives are reviewed each year. System implementation and integration costs are expensed as incurred.

1.7 Incoming resources

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value can be measured with sufficient reliability. Income is deferred when the conditions on which they may be received are not yet satisfied.

1.8 Resources expended

Liabilities are recognised where there is a legal and constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and includes attributable value added tax which cannot be recovered.

Expenditure on raising funds comprise those costs directly attributable to raising voluntary income and those incurred in trading activities that raise funds.

Expenditure on charitable activities in respect of core policy work costs are attributable to work in responding to specific policy issues and strategic development.

Support costs comprise all services supplied centrally which are identifiable as wholly or mainly in support of the charity's direct charitable expenditure and are allocated to activity cost categories on a basis consistent with the use of resources.

1.9 Pensions

The charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

1.10 Foreign currency translation

The consolidated financial statements are presented in pounds sterling (£), which is the charity's functional and presentation currency. Transactions denominated in foreign currencies are translated at the rate of exchange prevailing at the time of the transaction. Foreign currency balances held at the balance sheet date are translated at the rate of exchange prevailing at that date and the resulting foreign exchange differences are recognised within net incoming resources. The results of foreign entities consolidated within these Financial Statements are translated at the rate of exchange prevailing at average exchange rates. Exchange differences arising on the net investment in those foreign entities are recognised as a movement in unrestricted funds.

1.11 True and fair view

The charity does not seek to make a profit, nor can its results be measured by normal commercial criteria. In order that a true and fair view of the activities of the charity is given a Statement of Financial Activities has been included in place of a profit and loss account as required by the Companies Act 2006.

1.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

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

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Notes to the financial statements
FOR THE YEAR ENDED 31 MARCH 2021

1.13 Corporation tax

CDP Worldwide is a registered charity and as such its income and gains falling within Section 505(1)(e) Income and Corporation Taxes Act 1988 or Section 256 of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

1.14 Company status

The charity is a company limited by guarantee. Every member of the charity is liable under the Memorandum and Articles of Association to contribute, in the event of winding up, a sum not exceeding £1. At 31 March 2021 the number of guarantor members was 7.

1.15 Financial Instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments. Amounts due to the Charity's wholly owned subsidiary are held at face value less any impairment.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 14a and 14b. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

1.16 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

CDP Worldwide makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

All incoming resources are recognised in the Statement of Financial Activities once the charity has entitlement to the resources, as discussed in note 1.7. However, the entitlement to these resources and assumptions regarding when income is recognised is down to interpretation.

Liabilities are recognised as resources expended where there is a legal and constructive obligation committing the charity to the expenditure, per note 1.8. However, the level of legal obligation to which these resources are incurred by CDP Worldwide and assumptions regarding when the obligations are recorded is recognised is down to interpretation.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (£m)
FOR THE YEAR ENDED 31 MARCH 2021

Note 2 - Incoming resources	(£m) 2021 Unres- tricted funds	(£m) 2021 Restri- cted funds	(£m) 2021 Year Ended 31 March 2021	(£m) 2020 Unres- tricted funds	(£m) 2020 Restri- cted funds	(£m) 2020 Year Ended 31 March 2020
Income from charitable activities						
Mission-congruent grants	3.2	10.9	14.1	0.7	9.0	9.7
Annual investor memberships	0.2	-	0.2	0.3	-	0.3
Administrative fees	1.1	-	1.1	1.8	-	1.8
Global data partnerships	0.6	-	0.6	0.8	-	0.8
	<u>5.1</u>	<u>10.9</u>	<u>16.0</u>	<u>3.6</u>	<u>9.0</u>	<u>12.6</u>
Income from service-based activities						
Corporate memberships and partnerships	1.2	-	1.2	1.2	-	1.2
Sponsorships and other	2.8	-	2.8	3.6	-	3.6
	<u>4.0</u>	<u>-</u>	<u>4.0</u>	<u>4.8</u>	<u>-</u>	<u>4.8</u>
Donations and other income						
Donations and other income	-	-	-	0.1	-	0.1
Licence and service fees	3.7	-	3.7	1.7	-	1.7
	<u>12.8</u>	<u>10.9</u>	<u>23.7</u>	<u>10.2</u>	<u>9.0</u>	<u>19.2</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

<u>Note 3 - Dedicated fundraising expenditure</u>	(£m) 2021 Unrest	(£m) 2021 Rest	(£m) 2021 Total	(£m) 2020 Unrest	(£m) 2020 Rest	(£m) 2020 Total
Staff costs	0.7		0.7	0.6		0.6
Other direct costs	0.0		0.0	0.1		0.1
Support costs	0.1		0.1	0.1		0.1
	0.8	-	0.8	0.8	-	0.8

All expenditure on raising funds has been charged to unrestricted funds in the current and prior years.

<u>Note 4 - Analysis of service-based activities</u>	(£m) 2021 Unrest	(£m) 2021 Rest	(£m) 2021 Total	(£m) 2020 Unrest	(£m) 2020 Rest	(£m) 2020 Total
<i>Incoming resources</i>						
Corporate memberships and partnerships	1.2		1.2	1.2		1.2
Sponsorship fees and other service based activities	2.8		2.8	3.6		3.6
<i>Total incoming resources</i>	4.0	-	4.0	4.8	-	4.8
<i>Expenditure on service-based activities</i>						
Staff costs	2.8		2.8	3.2		3.2
Other direct costs	0.3		0.3	0.6		0.6
Support costs	0.5		0.5	0.2		0.2
<i>Total cost of activities</i>	3.6	-	3.6	4.0	-	4.0
<i>Net income from service-based activities</i>	0.4	-	0.4	0.8	-	0.8

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Note 5 - Expenditure on programmes

<u>By programme</u>	(£m) 2021 Unrest	(£m) 2021 Rest	(£m) 2021 Total	(£m) 2020 Unrest	(£m) 2020 Rest	(£m) 2020 Total
Climate change, forests and water security.	5.6	5.3	10.9	3.4	5.8	9.2
Increasing institutional investor engagement	0.8	0.7	1.5	2.3	1.0	3.3
Increasing reporting by cities, states and regions	0.8	1.8	2.6	0.8	1.6	2.4
Next generation disclosure	-	2.6	2.6	-	-	-
	7.2	10.4	17.6	6.5	8.4	14.9

Analysis of charitable expenditure

	(£m) 2021 Unrest	(£m) 2021 Rest	(£m) 2021 Total	(£m) 2020 Unrest	(£m) 2020 Rest	(£m) 2020 Total
Staff costs	5.4	7.4	12.8	4.2	5.9	10.1
Other direct costs	0.6	1.7	2.3	1.1	1.4	2.5
Support costs	1.2	1.3	2.5	1.2	1.1	2.3
	7.2	10.4	17.6	6.5	8.4	14.9

Note 6 - Analysis of support costs

	(£000's) Service-based activities	(£000's) Dedicated fundraising	(£000's) Charitable programmes	(£000's) 2021 Total	(£000's) 2020 Total
Premises	210	28	1,042	1,280	1,383
Other establishment & office costs	50	6	247	303	186
IT and telecoms costs	187	25	933	1,145	721
Disclosure Platform amortisation, licence and maintenance	53	7	261	321	347
	500	66	2,483	3,049	2,637

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Note 7 - Expenditure for the period includes:

	(£000's) 2021 Total	(£000's) 2020 Total
Depreciation and amortisation	445	469
Auditor's remuneration	38	36
Remuneration for Auditor's non-audit work	5	5
Operating leases expensed	536	810

During the year no Trustees received any remuneration or benefits-in-kind (2020: £Nil).

During the year 12 Trustees received reimbursement of expenses amounting to £4,700 (2020: £5,700).

Note 8 - Staff costs

Average monthly number of full time employees	The Charity Total 2021	The Charity Total 2020	The Group Total 2021	The Group Total 2020
Charitable programmes	181	159	216	220
Service-based activities	34	27	57	71
Dedicated fundraising	11	7	14	11
Total average monthly number of employees	<u>226</u>	<u>193</u>	<u>287</u>	<u>302</u>
Analysis of staff costs	(£000's) 2021 Total	(£000's) 2020 Total	(£000's) 2021 Total	(£000's) 2020 Total
Wages and salaries	10,707	8,563	12,336	10,961
Social security costs	984	722	1,308	1,345
Other pension costs	632	516	644	545
Costs of directly employed staff members	12,323	9,801	14,288	12,851
External contractors	1,541	625	1,713	782
Training and recruitment	291	157	271	229
Total staff costs	<u>14,155</u>	<u>10,583</u>	<u>16,272</u>	<u>13,862</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Note 8 - Staff costs (cont)

Analysis of staff costs (£000's)

	(£000's) 2021 Unrest	(£000's) 2021 Rest	(£000's) 2021 Total	(£000's) 2020 Unrest	(£000's) 2020 Rest	(£000's) 2020 Total
By department						
Charitable programmes	5,447	7,313	12,760	4,213	5,917	10,130
Service-based activities	2,764	-	2,764	3,142	-	3,142
Dedicated fundraising	748	-	748	590	-	590
	8,959	7,313	16,272	7,945	5,917	13,862

Analysis of higher paid employees

	Total 2021	Total 2020
£60,001 - £70,000	14	10
£70,001 - £80,000	3	5
£80,001 - £90,000	3	3
£90,001 - £100,000	3	3
£100,001 - £110,000	1	1
£110,001 - £120,000	2	-
£120,001 - £130,000	1	2
Total	27	24

Twenty-three (2020: Twenty-two) members of higher paid staff are accruing benefits under money purchase pension schemes. Pension contributions totalling £145,022 (2020: £135,693) were expensed in the year for the higher paid employees. Excluding staff on secondment to outside organisations, Executive Leadership Team personnel were paid £698,564 (2020: £643,065) in the year

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Note 9: Intangible fixed assets

	The Group (£m) Computer Software	The Charity (£m) Computer Software
Cost		
Balance b/fwd at 01/04/20	1.8	1.5
Additions	0.2	0.1
Disposals	-	-
Balance c/fwd at 31/03/21	2.0	1.6
Depreciation		
Balance b/fwd at 01/04/20	1.3	1.0
Charge	0.3	0.2
Disposals	-	-
	1.6	1.2
Net Book Value		
At 31/03/21	0.4	0.4
At 31/03/20	0.5	0.5

Note 10: Tangible fixed assets

(a) The Group

	(£m) Leasehold Improvements	(£m) Fixtures, fittings and equipment	(£m) Computer equipment	(£m) Total
Cost				
Balance b/fwd at 01/04/20	0.8	0.2	0.4	1.4
Additions	0.1	-	0.1	0.2
Disposals	(0.1)	-	-	(0.1)
Balance c/fwd at 31/03/21	0.8	0.2	0.5	1.5
Depreciation				
Balance b/fwd at 01/04/20	0.4	0.1	0.3	0.8
Charge	0.1	-	0.1	0.2
Disposals	(0.1)	-	-	(0.1)
Balance c/fwd at 31/03/21	0.4	0.1	0.4	0.9
Net Book Value				
At 31/03/21	0.4	0.1	0.1	0.6
At 31/03/20	0.4	0.1	0.1	0.6

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Note 10: Tangible fixed assets

(b) The Charity

	(£m)	(£m)	(£m)	(£m)
	Leasehold Improvements	Fixtures, fittings and equipment	Computer Equipment	Total
Cost				
Balance b/fwd at 01/04/20	0.7	0.2	0.3	1.2
Additions	0.1	-	0.1	0.2
Disposals	-	-	-	-
Balance c/fwd at 31/03/21	0.8	0.2	0.4	1.4
Depreciation				
Balance b/fwd at 01/04/20	0.3	0.1	0.2	0.6
Charge	0.2	-	0.1	0.3
Disposals	(0.1)	-	-	(0.1)
Balance c/fwd at 31/03/21	0.4	0.1	0.3	0.8
Net Book Value				
At 31/03/21	0.4	0.1	0.1	0.6
At 31/03/20	0.4	0.1	0.1	0.6

Note 11: Fixed asset investments

	The Charity (£000's) Shares in group undertakings
Cost	
Balance b/fwd at 01/04/20	21.3
Additions	1.1
Disposals	-
Balance c/fwd at 31/03/21	22.4
Depreciation	
Balance b/fwd at 01/04/20	-
Disposals	-
Balance c/fwd at 31/03/21	-
Net Book Value	
At 31/03/21	22.4
At 31/03/20	21.3

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Note 11: Fixed asset investments
(cont')

Direct subsidiaries – 100% of ordinary share capital owned by CDP Worldwide

CDP Operations Ltd	England and Wales
CDP Worldwide – Services GmbH	Germany
CDP Operations India Private Limited	India

Direct subsidiaries – control by virtue of governing the financial and operating policies and majority voting rights on the respective boards

Carbon Disclosure Project India*	India
CDP Worldwide (Hong Kong) Limited	Hong Kong
CDP Worldwide – Japan*	Japan
Carbon Disclosure Project Latin America*	Brazil

Indirect subsidiaries – 100% of ordinary share capital owned by CDP Operations Ltd

Beijing Carbon Disclosure Project Environmental Consulting Co. Limited*	China
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The activity of those companies marked with an asterisk is charitable work in support of climate and environmental protection. All other companies are trading companies for the charity CDP Worldwide with the primary purpose to help in fulfilling its charitable objectives.

Principal Subsidiaries

The financial results of the subsidiaries were

Names	(£m's) Turnover	(£m's) Expenditure	(£m's) Surplus/ (Deficit)
CDP Operations Limited	4.9	4.9	-
CDP Worldwide (Hong Kong) Limited	0.5	0.5	-
CDP Worldwide – Japan	1.1	0.9	0.2
Carbon Disclosure Project Latin America	0.8	0.6	0.2
Beijing Carbon Disclosure Project Environmental Consulting Co. Ltd	0.7	0.6	0.1
	(£m's) Assets	(£m's) Liabilities	(£m's) Funds
CDP Operations Limited	3.0	3.0	0.0
CDP Worldwide (Hong Kong) Limited	0.5	1.4	(0.9)
CDP Worldwide – Japan	0.6	0.6	-
Carbon Disclosure Project Latin America	0.8	0.5	0.3
Beijing Carbon Disclosure Project Environmental Consulting Co. Ltd	0.4	0.2	0.2

Note 12: Debtors due within one year

	The Group		The Charity	
	2021	2020	2021	2020
	(£m)	(£m)	(£m)	(£m)
Trade debtors	3.4	1.2	1.5	0.1
Amounts due from group undertakings	-	-	1.1	0.2
Amounts due from other CDP Global System companies	1.6	-	0.5	-
Rent deposits	0.5	0.6	0.5	0.5
Prepayments and accrued income	2.1	1.9	1.2	1.8
Other debtors	0.1	0.1	0.1	0.1
	7.7	3.8	4.9	2.7

Note 13: Cash

Group Cash at the year ended 31 March 2021 was £2.8m and included £2.6m of restricted funds held in separately designated bank accounts.

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Note 14 (a): Creditors: amounts falling due within one year

	The Group		The Charity	
	2021	2020	2021	2020
	(£m)	(£m)	(£m)	(£m)
Bank loans and overdrafts	0.1	0.5	0.1	0.5
Loans from CDP Global System companies	2.3	0.4	2.3	0.4
Other amounts due to CDP Global System companies	-	0.4	-	0.3
Trade creditors	1.3	0.8	1.3	0.7
Amounts due to group undertakings	-	-	0.1	0.6
Other taxes and social security costs	0.4	0.4	0.8	0.3
Other creditors	0.2	0.3	0.1	0.1
Accruals	2.1	1.9	1.3	1.8
Sub-grants due	1.1	0.3	1.1	0.3
Deferred income (Note 15)	2.3	1.7	0.1	0.1
	9.8	6.7	7.2	5.1

Included within other creditors is £75,702 (2020: £56,912) of owed pension contributions.

Loans from CDP Global System companies comprise:

- A \$1.7m promissory loan note issued by CDP North America, Inc. that expires on 31 March 2022 and carries a 3.25% interest rate
- A EUR 0.65m 6 month loan from CDP Europe – Services GmbH that expired on 23 July 2021 and carried an interest rate of 6%. This has since been renewed on similar terms
- A EUR 0.65m 6 month loan from CDP Europe – Services GmbH that expired on 15 September 2021 and carried an interest rate of 6%. This has since been renewed on similar terms

Note 14 (c): Creditors: amounts falling due in more than one year

	The Group		The Charity	
	2021	2020	2021	2020
	(£m)	(£m)	(£m)	(£m)
Bank loans	-	0.1	-	0.1
Dilapidations provision	0.1	0.1	0.1	0.1
	0.1	0.2	0.1	0.2

At the year end CDP owed £86,000 (2020 - £289,000) in bank loans to HSBC PLC, which was all due within 1 year and was repaid in full shortly after the year-end. Loan security comprised fixed and floating charges over all the assets and undertakings of CDP Worldwide.

Note 15: Deferred income

	The Group		The Charity	
	2021	2020	2021	2020
	(£m)	(£m)	(£m)	(£m)
Balance b/fwd	1.7	2.5	0.1	0.1
Amounts released from prior years	(1.7)	(2.5)	(0.1)	(0.1)
Deferred in current year	2.3	1.7	0.1	0.1
Balance c/fwd	2.3	1.7	0.1	0.1

Deferred income comprises income which relates specifically to activity to be undertaken in future accounting periods.

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Note 16: Reserves

The Group	Balance at 01-Apr-20 (£m)	Incoming resources (£m)	Resources expended (£m)	Gains / Losses (£m)	Balance at 31-Mar-21 (£m)
Unrestricted reserves	(3.9)	12.8	(11.7)	-	(2.8)
	(3.9)	12.8	(11.7)	-	(2.8)
Restricted reserves	3.9	10.9	(10.4)	-	4.4
Total unrestricted and restricted funds	0.0	23.7	(22.1)	-	1.6

The Charity	Balance at 01-Apr-20 (£m)	Incoming resources (£m)	Resources expended (£m)	Gains / Losses (£m)	Balance at 31-Mar-21 (£m)
Unrestricted reserves	(3.8)	10.4	(10.2)	(0.0)	(3.6)
	(3.8)	10.4	(10.2)	(0.0)	(3.6)
Restricted reserves	3.8	9.8	(9.4)	-	4.2
Total unrestricted and restricted funds	0.0	20.2	(19.6)	(0.0)	0.6

Note 17: Restricted reserves

The analysis for restricted reserves as analysed by funder is as follows:

The group and the charity	Balance at 01-Apr-20 (£m)	Incoming resources (£m)	Resources expended (£m)	Balance at 31-Mar-21 (£m)
AKO	0.2	0.2	(0.1)	0.3
Bloomberg Philanthropies	1.2	2.0	(1.4)	1.8
Breakthrough Energy				
Catalyst Foundation	-	0.9	-	0.9
Children's Investment Fund				
Foundation	0.2	3.1	(3.1)	0.2
European Climate Foundation	-	0.3	(0.3)	-
Esmee Fairbairn	-	0.2	(0.2)	-
EU Life Finaction	-	0.2	(0.2)	-
New Venture Fund (We				
Mean Business Coalition)	0.3	0.6	(0.9)	-
Norwegian Agency for				
Development Cooperation	1.2	0.2	(1.1)	0.3
Other Restricted Grants	0.7	2.1	(2.1)	0.7
Total charity	3.8	9.8	(9.4)	4.2

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Note 17: Restricted reserves (cont')

Norwegian Agency for Development Cooperation	-	0.3	(0.3)	-
AKO	0.1	0.3	(0.3)	0.1
Other	-	0.5	(0.4)	0.1
Total group	3.9	10.9	(10.4)	4.4

Bloomberg Philanthropies

Cities and other grants: funding for CDP's cities program which provides the leading disclosure platform helping cities around the world to measure, monitor and manage their environmental impacts and risks. It is an official platform for the Compact of Mayors, the world's largest coalition of city leaders addressing climate change.

Breakthrough Energy Catalyst Foundation

Funding work to define a framework that articulates the impact of investing in emerging climate technologies. And build on developing BE's Catalyzed Emissions Reduction Framework, and align it with the SBTi Net-Zero framework.

Children's Investment Fund Foundation

Continued funding to support advocacy work to secure mandatory reporting of the Task Force recommendations across the G20 by 2020; and CDP's investor research team.

In addition in the year, a new £5.9m restricted grant from CIFF to fund the development and implementation of the Next Generation Disclosure programme over the 4 years ending 31 March 2024. This programme aims to transform our disclosure process to improve both the customer experience and reach new disclosers, driving increased levels of administrative fees and fee for service income.

European Climate Foundation

This Funding is designated to enhance the unified environmental disclosure platform in support of the Global Covenant of Mayors and its member cities.

New Venture Fund

Funding from the We Mean Business coalition for a range of projects to accelerate the transition to a low carbon economy, including securing corporate commitments to ambitious climate action, the Science Based Targets initiative (helping companies to set greenhouse gas emissions reduction targets that would prevent the worst impacts of climate change), and RE100 (encouraging businesses to commit to 100% renewable electricity).

Norwegian Agency for Development Cooperation

Funding to support of a range of projects including our work driving companies towards deforestation-free supply chains. Our Investor Research work to develop the world's first systematic analysis of how risks from deforestation can financially impact companies within the agriculture and fast-moving consumer goods sector, and our South East Asia (SEA) Banks project to increase transparency with SEA banks to stop the financing of deforestation.

AKO

Funding to support the acceleration of climate action in China and India, which aims to increase corporate environmental disclosure, increase the number of companies committing to climate action and build sustainable finance and corporate practice in both countries.

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Note 18: Analysis of net assets between funds

	Unrest- ricted funds (£m)	Restr- icted funds (£m)	Total 2021 (£m)	Unrest- ricted funds (£m)	Restr-icted funds (£m)	Total 2020 (£m)
Fixed assets	1.0	-	1.0	1.1	-	1.1
Cash at bank and in hand	0.2	2.6	2.8	-	2.0	2.0
Other current assets	5.7	2.0	7.7	1.8	2.0	3.8
Current liabilities	(9.6)	(0.2)	(9.8)	(6.7)	(0.1)	(6.8)
Long-term liabilities	(0.1)	-	(0.1)	(0.1)	-	(0.1)
	(2.8)	4.4	1.6	(3.9)	3.9	-

Note 19. Financial Commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	The Group		The Charity	
Operating leases which expire:	2021 (£m)	2020 (£m)	2021 (£m)	2020 (£m)
Within 1 year inclusive	0.5	0.6	0.5	0.6
In the second to fifth years inclusive	1.4	0.2	1.4	0.2
More than five years	-	-	-	-
	1.9	0.8	1.9	0.8

Note 20: Related party transactions notes

CDP North America, Inc is an independently incorporated entity with US 501c3 tax exempt status and is authorised to use the intellectual property owned by CDP Worldwide including the name 'CDP', the symbol 'CDP' and the trademarks of CDP Worldwide. CDP North America pays to CDP Worldwide an annual licence royalty fee based on agreed percentages of income and a service fee for shared global programmatic costs such as the CDP questionnaire platform and database, general questionnaire support across all programmes and support of the global mission related activities in Climate Change, Forests and Water and Cities and Investor Initiatives.

CDP Europe AISBL is an independently incorporated entity in Belgium with charitable status and is authorised to use the intellectual property owned by CDP Worldwide including the name 'CDP', the symbol 'CDP' and the trademarks of CDP Worldwide. CDP Europe AISBL pays to CDP Worldwide an annual brand administrative fee based on agreed percentages of income and a service fee for shared global programmatic costs such as the CDP questionnaire platform and database, general questionnaire support across all programmes and support of the global mission related activities in Climate Change, Forests and Water and Cities and Investor Initiatives.

As at 31 March 2021, an amount of £720,000 (2020: £233,000 owed to) was owed by CDP North America Inc. During the year, CDP Worldwide received income of £2,807,000 (2020: £1,682,000) for support services.

As at 31 March 2021, an amount of £882,000 (2020: £157,000 owed to) was owed by CDP Europe AISBL. During the year, CDP Worldwide received income of £1,433,000 (2020: £827,000) for support services.

As at 31 March 2021, the following amounts were due to CDP Worldwide:

The debtors due to CDP Worldwide are deemed recoverable based on the expected future cash flows of the entities.

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Note 20: Related party transactions notes (cont')

	Incorporated in	2021 (£)	2020 (£)
CDP Operations Limited	England & Wales	1,102,165	-
CDP Worldwide Services GmbH	Germany	-	63,895
Carbon Disclosure Project Latin America	Brazil	37,974	40,906
Qidiping Climate and Environment Consulting Co Ltd	China	2,737	72,593
CDP Worldwide (Japan)	Japan	-	18,996
		<u>1,142,877</u>	<u>196,390</u>

The amount due from the CDP Worldwide Group and its subsidiaries represents the balance of operational transactions between the two entities, comprising mainly of expenditure paid on behalf of the entity by CDP Worldwide. No interest is being accrued on these balances.

As at 31 March 2021, the following amounts were due by CDP Worldwide to the following entities:

	Incorporated in	2021 (£)	2020 (£)
CDP Operations Limited	England & Wales	-	569,980
CDP Worldwide Services GmbH	Germany	19,089	-
CDP Worldwide (Japan)	Japan	44,416	-
		<u>63,505</u>	<u>569,980</u>

The amount due by CDP Worldwide Group to its subsidiaries represents the balance of operational transactions between the two entities, comprising mainly of expenditure paid on behalf of CDP Worldwide by its subsidiary. No interest is being accrued on these balances.

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Note 21: Net income for the financial year

As permitted by section 408 of the Companies Act 2006, the parent company's statement of financial activities has not been included in the financial statements.

The parent company's total income for the year was £20.2m (2020: £14m).

The company's funds for the year increased by £0.6m (2020: £1.2m decrease).

<u>Note 22: Note to the Consolidated Cash Flow</u>	Total 2021 (£m)	Total 2020 (£m)
Net movement in funds	1.6	(0.5)
Depreciation and amortisation	0.4	0.5
(Increase)/Decrease in debtors	(3.9)	1.9
Increase/(Decrease) in creditors	1.3	(0.5)
Exchange differences	0.0	(0.2)
Cash flows from operating activities	(0.6)	1.2

<u>Note 23: Net Debt</u>	Total 2021 (£m)	Total 2020 (£m)
Cash	2.8	2.0
Overdraft Facilities	-	(0.3)
Loans falling due within one year	(0.1)	(0.2)
Loans falling due after more than one year	-	(0.1)
Total	2.7	1.4

Note 24: Controlling party

In the opinion of the Trustees, there is no overall controlling party of CDP Worldwide.

Note 25: Loss on Transfer of European activities

	Total (£m)
Net Assets brought forward at 1 April 2018	0.9
Income for the year ended 31 March 2019	3.3
Total resources expended for the year ended 31 March 2019	(2.9)
Net Assets carried forward at 1 April 2019	1.3
Income for the 10 month period ended 29 January 2020	3.7
Total resources expended for the 10 month ended period 29 January 2020	(3.1)
Total loss on transfer at nominal value	(1.9)

The European activities of CDP Worldwide were transferred to CDP Europe AISBL on 29 January 2020. CDP Europe AISBL is an independently incorporated entity and hence is not consolidated in to CDP Worldwide.

The consolidated net assets of the two European activities at that date were £1.9m representing the accumulation of reserves in the 11 years since CDP Worldwide (Europe) gGmbH was established. However, local charity law in Germany governed that the consideration for the transfer could not exceed the nominal share capital of EUR 25,000 and hence an accounting loss of £1.9m arose to CDP Worldwide. The reserves remain available to fulfil the shared mission of the CDP System but are no longer in a controlled entity.