

Company Registration No 05013650
Charity Registration No 1122330

Carbon Disclosure Project
(A company limited by guarantee)

Annual report and financial statements

For the year ended 31 March 2012

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Carbon Disclosure Project
(A company limited by guarantee)

Contents

	Pages
Reference and administrative details of the charity, its trustees and advisers	1
Directors' and Trustees' annual report	2-6
Independent auditors' report	7-8
Consolidated statement of financial activities	9
Balance sheets	10
Notes to the financial statements	11-22

Carbon Disclosure Project
(A company limited by guarantee)

Reference and administrative details of the Charity, its Trustees and Advisers

Trustees	Alan Brown	Chair
	Robert Napier	Chair (resigned May 2011)
	James Cameron	
	Christopher Page	
	Jeremy Smith	
	Dr Christoph Schroder	
	Takejiro Sueyoshi	
	Tessa Tennant	
	Martin Wise	
Company Secretary	Roy Wilson	
Company Number	05013650	
Charity Number	1122330	
Principal Office	40 Bowling Green Lane London EC1R 0NE	
Management	Paul Dickinson	Executive Chairman
	Paul Simpson	Chief Executive Officer
	Sue Howells	Chief Operating Officer - Global Operations
	Joanna Lee	Chief Partnerships Officer
	Nigel Topping	Chief Innovations Officer
	Frances Way	Chief Operating Officer - Programs
	Roy Wilson	Chief Financial Officer
Auditors	Menzies LLP Chartered Accountants and Statutory Auditor Lynton House 7-12 Tavistock Square London WC1H 9LT	
Bankers	Unity Trust Nine Brindleyplace Birmingham B1 2HB	
	HSBC Bank plc 25 Islington High Street London N1 9LJ	

Carbon Disclosure Project (A company limited by guarantee)

Trustees' report for the year ended 31 March 2012

The Trustees, who are also the directors of the charity, present their report and the financial statements for the charity and its trading subsidiaries (the group) for the year ended 31 March 2012, which have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005 - second edition)

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.

The Trustees delegate day to day management of the charity to a management board. 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 management board. The board must account to the Trustees for progress against business plan and report on significant events occurring during the year, at Trustee meetings which are held each quarter.

The Trustees have appointed a Finance Committee which acts with the authority of the Trustees and meets with the management board quarterly, at least a week in advance of the Trustee meeting, to review financial performance in detail.

Recruitment and training of trustees

Trustees are recruited globally from senior figures in industry, government and the charity sector. The charity management and the Board of Trustees look for recruits who are passionately interested in climate change and the sustainable use of scarce resources and who could 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 are well aware of their responsibilities. Legal advice is always available from a number of major international legal firms who offer their services to the charity on a pro bono basis.

Risk management

The Trustees have considered the risks to the charity from all areas and have taken steps to manage the potential impacts wherever possible.

Financial

The operations of the charity are dependent on a consistent income flow. The income base is broad, coming from philanthropic institutions, governments, sponsorship by major organisations, NGO's worldwide and surpluses from trading activities. The Trustees are satisfied that this broad spread provides some protection against financial downturn in any individual sector.

Income, overheads and cash are controlled against budgets which are set annually. Monthly management accounts are prepared showing variances from budget. These are reviewed by the charity management and actions taken on any significant variances.

Internal financial controls are in place which minimise opportunities for fraud.

Carbon Disclosure Project (A company limited by guarantee)

Trustees' report for the year ended 31 March 2012

Operational

Staff review and training procedures are in place to ensure that all staff are adequately trained to perform the duties required of them

The charity's IT systems and data files are accessible via the internet. The Trustees do not consider that a disaster affecting any of its premises would significantly affect its ability to continue operating. The charity relies on the disaster recovery plans of its third party providers of IT systems and data hosting services.

The charity holds insurance covering Professional Indemnity, Trustees and Officers duties and Business Travel risks, in addition to insurances legally required.

Legal

The charity complies with all legislation in all jurisdictions in which it operates.

The charity name is protected by Trade Mark in the United Kingdom, countries covered under the Madrid Protocol, Australia, Canada, India, Japan, Russia, Singapore, South Africa, Taiwan and United States of America. Trade mark applications are in place for all other geographic areas of operation.

Group structure

The charity has a wholly owned UK operating subsidiary, Carbon Disclosure Project (Trading) Limited, a commercial entity whose purpose is to generate funds from trading activities to support the charity's activities. The charity also has a wholly owned German subsidiary charity, Carbon Disclosure Project gGmbH through which charitable activities in Germany are conducted. Control is exercised over companies in Australia and Brazil through majority Board representation.

Aims, Objectives and Strategies

The mission of the Carbon Disclosure Project (CDP) is to transform the global economic system to prevent dangerous climate change and value our natural resources by putting relevant information at the heart of business, investment and policy decisions.

We strongly believe that market forces can, if provided all the necessary information, be a major cause of change. We have demonstrated that by working with the world's largest investors we can create a powerful collection of data and business practices from the largest corporations. This information can then be used by investors, business leaders and also governments to make informed business, investment and policy decisions. The CDP system motivates thousands of companies, investors and governments to take action to protect our natural resources and prevent dangerous climate change.

The strategic aims of the charity through to year end 2012 continued to focus on

- 1 Mitigation – encouraging companies globally to reduce their greenhouse gas emissions and improve water management
- 2 Globalisation of CDP's programmes in the world's major economies, to encourage the world's major companies to measure, manage and reduce emissions and water usage
- 3 Data quality to ensure completeness, accuracy and comparability of all data collected, to advance its use in investment, business and policy decisions

Significant activities

In its tenth year of operations the charity continues to operate the only global system for the disclosure of environmental information, motivating thousands of companies and cities around the world to measure, disclose and manage climate change and water risks and opportunities. CDP consolidated activities this year with a focus on growing existing programs and offices.

Carbon Disclosure Project (A company limited by guarantee)

Trustees' report for the year ended 31 March 2012

Significant activities (continued)

The CDP questionnaires propel organisations to think about energy, carbon management and water issues, often for the first time. The charity worked to encourage a growing number of companies and cities to measure and manage the impact of environmental risks. Over 3,700 companies around the world disclosed information to CDP for the year ended 31 March 2012.

The charity also continued to galvanise the investor community to consider environmental risk issues, both through growth in numbers of institutional investor signatories to CDP but also in the use of data in investment indices.

Achievements

Despite challenging economic conditions CDP has expanded its influence significantly in 2011-2012. The charity has continued to grow institutional investor recognition of climate change and water scarcity as investment issues. It now has 655 institutional investors with \$78 trillion in assets from 551 investors in the previous year, signing our annual company request for disclosure on energy management and climate change issues. The CDP Water Disclosure program saw a 33% rise to 470 institutional investors representing \$50 trillion in assets.

A key part of CDP's strategy is to ensure the effective use of data collected. It is used by investors in many different ways such as through engagement, within indexes such as FTSE CDP Carbon Strategy Index, and by data providers such as Bloomberg. CDP data is downloaded on average more than 730,000 times a month via Bloomberg terminals.

Investors can use the CDP platform to accelerate action from companies on this issue. CCLA is one example of an investor willing to divest if companies do not report to CDP and has publicly stated "From 2013 CCLA's charity clients intend to divest from developed-world Energy, Utility, Industrial and Materials companies in the Global 500 that have not yet disclosed reduction targets to the Carbon Disclosure Project. We believe that management of the carbon challenge is a key part of achieving sustainable and strong shareholder returns."

CDP accelerates action on climate change through disclosure and also through an initiative called Carbon Action which launched in early 2011. 92 Carbon Action signatory investors with \$10 trillion in assets engaged in 2011-2012 with 415 of the world's largest companies from the most carbon-intensive sectors or with large supply chains, asking them, through CDP, to reduce their greenhouse gas emissions by investing in emission reduction activities with a satisfactory positive return on investment. Large new investors joined the initiative including AXA Investments, Banco Santander and BBVA.

CDP continues to raise the importance of environmental risk issues within global companies. A growing number of the world's largest companies now measure and disclose to CDP on energy management and climate change issues including 84% of the Europe 300, 82% of the Global 500, 70% of the S&P 500 and 74% of the South Africa 100 companies. 190 companies on the Global 500 index showed improved transparency on water management which was a 10% increase from the previous year. In fact, companies that disclose to CDP are increasingly aware of the importance of these issues and are integrating climate change into their business strategies. 269 companies on the Global 500 disclosed this integration in 2011 as opposed to 187 in 2010.

As the management of environmental risk continues to move into companies' core business strategies, CDP is also working with global corporations such as Dell, Vodafone, PepsiCo and Walmart to embed sustainable business practices across supply chains. In 2011, the number of suppliers reporting to their customers through CDP increased to 1,864 suppliers from 1,000 in 2010.

In January 2012, CDP's work to accelerate a transition to a low-carbon economy was acknowledged with first prize at the Zayed Future Energy Award.

Carbon Disclosure Project (A company limited by guarantee)

Trustees' report for the year ended 31 March 2012

Achievements (continued)

Cities are on the frontlines in addressing global climate changes. 48 cities disclosed to the CDP Cities programme in 2011 to help better manage energy and climate risk. This work is endorsed by Mayor Bloomberg who described CDP's first report on city actions in 2011 as a "ground-breaking study providing critical data that will enable cities to make powerful decisions and track progress as they continue to address the impact climate change is having on their environment, their economy and their citizens."

Explanation of the performance achieved against objectives

The charity achieved almost all operational targets set out in its business plan including increased response numbers from corporations, increase in investor numbers, growth in supply chain, and growth in total income.

Global staff grew from 42 to 64 and the charity expanded its premises at its London serviced offices.

Fundraising activities

The downturn in the global economy has continued to result in difficulties in fundraising. However, Corporate sponsorship continues at a significant level. Philanthropic funding remained steady as the charity has continued to invest in capacity in this area and expect this funding to increase in 2012-2013.

The charity aims to continue to grow its income streams to ensure a diverse and robust funding base for sustainable long term growth.

Financial Review

The financial statements show a surplus of £853,431 for the year and unrestricted reserves totalled £1,290,907.

The Trustees consider that reserves should be built to a cover of six months overhead and will pursue this end. However, they recognise to set aside sufficient income to achieve this in one or two years would severely restrict the ability of the charity to pursue its mission. A slow but regular reserve growth is therefore built into future financial plans.

Plans for future periods

The charity's focus is guided by its three strategic aims – globalisation, data quality and mitigation. Expansion of operations in key geographies such as China and India is planned. The charity is also strongly focused on enhancing data quality, through a range of initiatives to advance comparability and completeness. Focus on mitigation is driven largely through the Carbon Action initiative, working with investors and business to advance emissions reductions and investments. The charity plans to expand this work this year and to ensure companies are actively involved.

Public benefit statement

The Board of 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.

Carbon Disclosure Project
(A company limited by guarantee)

Trustees' report
for the year ended 31 March 2012

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

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

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.

Approved by the Board of Trustees on

4/9/12

and signed on its behalf by

Trustee



ALAN BRONN

Trustee



JAMES CAMERON

Carbon Disclosure Project
(A company limited by guarantee)

Independent auditors' report to the Members of Carbon Disclosure Project

We have audited the financial statements of Carbon Disclosure Project for the year ended 31 March 2012 which comprise the Consolidated Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on 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 (APB'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 charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' 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 charitable company's and the group's affairs as at 31 March 2012 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Carbon Disclosure Project
(A company limited by guarantee)**

Independent auditors' report to the Members of Carbon Disclosure Project

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

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

Menzies LLP

Chris Evans (Senior Statutory Auditor)
For and behalf of Menzies LLP
Chartered Accountants and Statutory Auditor
Lynton House
7-12 Tavistock Square
London
WC1H 9LT

Date

10/10/12

Carbon Disclosure Project
(A company limited by guarantee)

Consolidated statement of financial activities (including income and expenditure account)
for the year ended 31 March 2012

	Notes	Unrestricted funds £	Restricted Funds £	31 March 2012 £	31 March 2011 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	3	1,063,126	-	1,063,126	271,987
Activities for generating funds	4	3,988,816	8,408	3,997,224	2,564,343
Investment income – bank interest		2,173	-	2,173	572
Incoming resources from charitable activities					
Supply Chain Life Cycle		-	-	-	29,011
Public Procurement		-	-	-	19,000
Global partnerships		277,992	-	277,992	238,823
Annual memberships		299,158	-	299,158	334,531
Workshops and speaking		11,238	-	11,238	9,292
Grants receivable		33,781	199,030	232,811	358,517
Other income		-	-	-	5,600
Total incoming resources		5,676,284	207,438	5,883,722	3,831,676
Resources expended					
Costs of generating funds					
Commercial trading operations	5	2,326,558	8,408	2,334,966	1,653,767
Fundraising costs	6	467,424	-	467,424	376,729
		2,793,982	8,408	2,802,390	2,030,496
Charitable activities					
Core policy work	7	1,950,583	184,030	2,134,613	1,583,547
Governance costs	8	93,288	-	93,288	73,807
Total resources expended		4,837,853	192,438	5,030,291	3,687,850
Net movement in funds before transfers		838,431	15,000	853,431	143,826
Transfers	17	-	-	-	-
Net movement in funds after transfers		838,431	15,000	853,431	143,826
Total funds brought forward		452,476	-	452,476	308,650
Total funds carried forward		1,290,907	15,000	1,305,907	452,476

There are no recognised gains and losses other than those passing through the Consolidated Statement of Financial Activities

All of the charity's activities are continuing

Incoming resources from charitable activities for Supply Chain and Public Procurement transferred to the trading subsidiary, Carbon Disclosure Project (Trading) Limited in the prior year, and the income in relation to these is therefore shown within the heading "Activities for generating funds" above

Carbon Disclosure Project
(A company limited by guarantee)

Balance sheets
for the year ended 31 March 2012

		The Group		The Charity	
	Notes	2012	2011	2012	2011
		£	£	£	£
Fixed assets					
Tangible assets	12	25,889	16,823	21,389	16,823
Investments	13	-	-	22,995	22,995
		<u>25,889</u>	<u>16,823</u>	<u>44,384</u>	<u>39,818</u>
Current assets					
Debtors	14	1,564,525	1,342,053	273,273	358,235
Cash at bank and in hand		<u>3,056,559</u>	<u>1,706,303</u>	<u>2,529,784</u>	<u>1,011,126</u>
		4,621,084	3,048,356	2,803,057	1,369,361
Creditors: amounts falling due within one year	15	<u>(3,341,066)</u>	<u>(2,612,703)</u>	<u>(1,723,998)</u>	<u>(1,072,588)</u>
Net current assets		<u>1,280,018</u>	<u>435,653</u>	<u>1,079,059</u>	<u>296,773</u>
Net assets		<u>1,305,907</u>	<u>452,476</u>	<u>1,123,443</u>	<u>336,591</u>
Funds	17				
Restricted	18	15,000	-	15,000	-
Unrestricted		<u>1,290,907</u>	<u>452,476</u>	<u>1,108,443</u>	<u>336,591</u>
	19	<u>1,305,907</u>	<u>452,476</u>	<u>1,123,443</u>	<u>336,591</u>

The financial statements were approved by the Board of Trustees on
signed on its behalf by

4/9/12

and were

Trustee



ALAN BROWN
Company Registration No 05013650

Trustee



JAMES CAMERON

Carbon Disclosure Project (A company limited by guarantee)

Notes to the financial statements for the year ended 31 March 2012

1 Accounting policies

The major accounting policies adopted by Carbon Disclosure Project are set out below

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" published in March 2005 (2nd edition - May 2008), applicable accounting standards and the Companies Act 2006.

1.2 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 2012 the number of guarantor members was 8.

1.3 Basis of consolidation

The group financial statements consolidate the financial statements of the Carbon Disclosure Project and its subsidiaries for the year ended 31 March 2012. The statement of financial activities (SOFA) and the balance sheet consolidate the financial statements on a line by line basis where appropriate. No separate SOFA has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP 2005. Details concerning the subsidiary companies, results and financial position are set out in note 2.

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 -

Computer equipment	25% straight line
Fixtures, fittings and equipment	25% straight line

Individual fixed assets costing £250 or more are capitalised as tangible fixed assets.

1.6 Incoming resources

All incoming resources are 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. Incoming resources are deferred when the conditions on which they may be received are not yet satisfied.

In preparing these accounts no value has been attributed to the work performed by volunteers in accordance with the SORP 2005, although their work is considered vital to the activities of the charity.

**Carbon Disclosure Project
(A company limited by guarantee)**

**Notes to the financial statements
for the year ended 31 March 2012**

1.7 Resources expended

Liabilities are recognised as resources expended 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.

All expenditure charged is analysed between direct charitable and other expenditure as detailed in the Statement of Financial Activities.

Costs of generating funds comprise those costs directly attributable to raising voluntary income and those incurred in trading activities that raise funds.

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.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

1.8 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.

1.9 Foreign currency translation

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the net incoming/(outgoing) resources.

1.10 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.

1.11 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.

Designated funds which are unrestricted funds expendable at the discretion of the Trustees in furtherance of the charity's objectives are identified for a particular project and designated as a separate fund. A designated fund has an administration purpose only and does not legally restrict the trustees' discretion to apply the fund.

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 raising and 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.

Carbon Disclosure Project
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2012

1 12 Corporation tax

Carbon Disclosure Project 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

2 Net income from trading activities of subsidiaries

All commercial trading is undertaken through its trading subsidiaries Carbon Disclosure Project (Trading) Limited, Carbon Disclosure Project gemeinnutzige GmbH, Carbon Disclosure Project (Latin America) and Carbon Disclosure Project Limited (Australia). A summary of the subsidiaries' results are shown below

The profit from the subsidiary, Carbon Disclosure Project (Trading) Limited, is passed to the charity each year

	Trading 2012 £	GmbH 2012 £	S America 2012 £	Australia 2012 £
Turnover	3,426,083	335,829	201,931	8,408
Administrative expenses	<u>(1,939,672)</u>	<u>(345,364)</u>	<u>(116,028)</u>	<u>(1,872)</u>
Operating profit	1,486,411	(9,535)	85,903	6,536
Gift aid donation to Carbon Disclosure Project	<u>(1,486,894)</u>	-	-	-
(Loss)/profit on ordinary activities before interest	(483)	(9,535)	85,903	6,536
Other interest receivable and similar income	<u>483</u>	<u>1,717</u>	<u>8,113</u>	<u>-</u>
Profit on ordinary activities before taxation	-	(7,818)	94,016	6,536
Tax on profit on ordinary activities	-	-	-	-
Profit for the year	<u>-</u>	<u>(7,818)</u>	<u>94,016</u>	<u>6,536</u>
			Total 2012 £	Total 2011 £
Turnover			3,972,251	2,563,506
Administrative expenses			<u>(2,402,936)</u>	<u>(1,565,676)</u>
Operating profit			1,569,315	997,830
Gift aid donation to Carbon Disclosure Project			<u>(1,486,894)</u>	<u>(882,782)</u>
(Loss)/profit on ordinary activities before interest			82,421	115,048
Other interest receivable and similar income			<u>10,313</u>	<u>837</u>
Profit on ordinary activities before taxation			92,734	115,885
Tax on profit on ordinary activities			-	-
Profit for the year			<u>92,734</u>	<u>115,885</u>

Carbon Disclosure Project
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2012

3	Voluntary income	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2012 £	Total Funds 2011 £
	Grants – core funding	42,013	-	42,013	271,230
	Donations	1,021,113	-	1,021,113	757
		<u>1,063,126</u>	<u>-</u>	<u>1,063,126</u>	<u>271,987</u>
4	Activities for generating funds	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2012 £	Total Funds 2011 £
	Commercial trading operations (note 5)	3,974,156	8,408	3,982,564	2,564,343
	Sponsorships - charity	14,660	-	14,660	-
		<u>3,988,816</u>	<u>8,408</u>	<u>3,997,224</u>	<u>2,564,343</u>
5	Activities for generating funds - commercial operations	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2012 £	Total Funds 2011 £
	Incoming resources				
	Sponsorship fees	2,385,332	8,408	2,393,740	1,855,090
	Service fees	1,578,511	-	1,578,511	708,416
	Other income	-	-	-	-
	Interest received	10,313	-	10,313	837
	Total incoming resources	<u>3,974,156</u>	<u>8,408</u>	<u>3,982,564</u>	<u>2,564,343</u>
	Cost of generating funds				
	Direct costs of goods and services	892,470	-	892,470	539,880
	Staff costs allocated to activities (note 11)	1,207,937	8,408	1,216,345	944,750
	Other direct costs allocated to activities	68,254	-	68,254	52,281
	Support costs allocated to activities (note 9)	157,897	-	157,897	116,856
	Total cost of activities	<u>2,326,558</u>	<u>8,408</u>	<u>2,334,966</u>	<u>1,653,767</u>
	Net income from activities for generating funds	<u>1,647,598</u>	<u>-</u>	<u>1,647,598</u>	<u>910,576</u>

Activities for generating funds are those trading and other fundraising costs carried out by the charity and its subsidiary undertakings, Carbon Disclosure Project (Trading) Limited, Carbon Disclosure Project gemeinnützige GmbH, Carbon Disclosure Project (Latin America) and Carbon Disclosure Project Limited (Australia) primarily to generate incoming resources which will be used to undertake the charitable activities of Carbon Disclosure Project. It includes trading activities such as sponsorship fees, partnership fees and service fees.

Carbon Disclosure Project
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2012

6 Activities for generating funds – fundraising costs

	Unrestricted Funds 2012 £	Restricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Staff costs (note 11)	388,063	-	388,063	312,974
Support costs (note 9)	43,132	-	43,132	34,168
Other direct costs	36,229	-	36,229	29,587
	467,424	-	467,424	376,729

Other direct costs comprised of publicity and information costs to raise or manage the profile of the organisation in respect to the activities undertaken during the period

7 Analysis of core policy costs

	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2012 £	Total Funds 2011 £
Staff costs (note 11)	1,292,468	70,693	1,363,161	1,121,917
Support costs (note 9)	157,494	-	157,494	168,113
Other direct costs	337,187	113,337	450,524	225,403
Grants payable	163,434	-	163,434	68,114
	1,950,583	184,030	2,134,613	1,583,547

Other direct costs comprised of website development, costs of undertaking questionnaires and travelling costs applied by the organisation in undertaking its work to deliver research and interpretation on climate change information and to meet its charitable objectives

8 Governance costs

	Total Funds 2012 £	Total Funds 2011 £
Audit and accountancy fees	28,960	17,674
Professional fees	26,482	19,448
Staff costs (note 11)	35,666	34,776
Support cost (note 9)	2,180	1,909
	93,288	73,807

Carbon Disclosure Project
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2012

9 Analysis of support costs

	Commercial Trading £	Cost of Fundraising £	Charitable Activities £	Governance Costs £	Total 2012 £	Total 2011 £
Premises	45,074	12,511	38,667	484	96,736	107,330
Depreciation	5,164	1,433	4,431	55	11,083	11,210
Other office costs	24,238	5,683	25,562	334	55,817	69,533
Staff related costs	59,874	16,968	53,356	1,055	131,253	66,832
IT Software and website	23,547	6,537	20,202	252	50,538	48,347
Loss on foreign exchange	-	-	15,276	-	15,276	17,794
Total support costs	157,897	43,132	157,494	2,180	360,703	321,046

Premises costs include rent, light and heat, cleaning, insurances and repairs

Other office costs include printing, postage and stationery, and employee mobile phone costs

Staff related costs include staff entertaining, training, life assurance and recruitment

Support costs have been apportioned on an estimated time usage basis in the circumstances where management cannot allocate the cost directly to the attributable activity

10 Analysis of resources expended

2012
£

2011
£

The following have been charged to the Statement of Financial Activities -

Depreciation	11,083	11,210
Auditors' remuneration	20,050	17,600
Remuneration of auditors for non-audit work	1,600	1,350

During the year no trustees received any remuneration or benefits-in-kind (2011 £Nil)

During the current year there was £70 received by trustees for reimbursement of expenses (2011 no trustee was reimbursed for expenses)

Carbon Disclosure Project
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2012

11 Staff costs

Average monthly number of full time employees	Total 2012	Total 2011
Commercial trading	20	15
Fundraising and publicity	7	4
Core policy work	30	21
Governance	-	-
Germany (CDP gGmbH)	6	2
Australia	1	-
Total average monthly number of full time employees	64	42

Total employment costs were -	Total 2012 £	Total 2011 £
Wages and salaries	2,176,984	1,661,419
Social security costs	252,587	189,928
Other pension costs	154,751	114,409
Total staff costs	2,584,322	1,965,756
External consultants	418,913	448,661
	3,003,235	2,414,417

Employment costs by department	Unrestricted funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Commercial trading	1,207,937	8,408	1,216,345	944,750
Fundraising and publicity	388,063	-	388,063	312,974
Core policy work	1,292,468	70,693	1,363,161	1,121,917
Governance	35,666	-	35,666	34,776
	2,924,134	79,101	3,003,235	2,414,417

Analysis of higher paid employees	Total 2012	Total 2011
£60,001 - £70,000	2	1
£70,001 - £80,000	2	2
£80,001 - £90,000	1	1
£90,001 - £100,000	2	1
Total	7	5

Five (2011: Five) members of higher paid staff are accruing benefits under money purchase pension schemes. Pension contributions totalling £48,034 (2011: £33,977) were expensed in the year for the higher paid employees.

Carbon Disclosure Project
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2012

12	Tangible fixed assets	Equipment, fixtures and fittings
	The Group	£
	Cost	
	At 1 April 2011	48,672
	Additions	20,306
	Disposals	-
	At 31 March 2012	68,978
	Depreciation	
	At 1 April 2011	31,849
	Charge for the year	11,240
	Eliminated on disposals	-
	At 31 March 2012	43,089
	Net book value	
	At 31 March 2012	25,889
	At 31 March 2011	16,823
	The Charity	Equipment, fixtures and fittings
		£
	Cost	
	At 1 April 2011	48,672
	Additions	15,649
	Disposals	-
	At 31 March 2012	64,321
	Depreciation	
	At 1 April 2011	31,849
	Charge for the year	11,083
	Eliminated on disposals	-
	At 31 March 2012	42,932
	Net book value	
	At 31 March 2012	21,389
	At 31 March 2011	16,823

Carbon Disclosure Project
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2012

13. Fixed asset investments

	Shares in group undertakings
The Charity	
Cost	£
At 1 April 2011 and 31 March 2012	22,995

Fixed asset investments comprise the cost of investment in its subsidiary companies. Details of the subsidiary companies are as follows -

Name of Company	Country of Incorporation	Description of shares held	Proportion of nominal value of issued shares held %
Carbon Disclosure Project (Trading) Limited	England and Wales	Ordinary	100
Carbon Disclosure Project gemeinnützige GmbH	Germany	Ordinary	100

The principal activity of both subsidiaries is to promote the implications of climate change

Carbon Disclosure Project owns 100% of the voting rights and nominal share capital of the above subsidiaries. The subsidiary accounts have been consolidated with Carbon Disclosure Project's accounts

	The Group		The Charity	
	2012 £	2011 £	2012 £	2011 £
14 Debtors due within one year				
Trade debtors	1,540,105	1,313,350	227,713	316,961
Amounts due from group undertaking	-	-	23,709	16,286
Other debtors	8,561	13,410	7,690	9,695
Prepayments and accrued income	15,859	15,293	14,161	15,293
	1,564,525	1,342,053	273,273	358,235

	The Group		The Charity	
	2012 £	2011 £	2012 £	2011 £
15 Creditors: amounts falling due within one year				
Trade creditors	176,876	208,933	85,921	105,595
Amounts due to group undertaking	-	-	458,771	172,996
Other taxes and social security costs	313,926	160,428	293,023	148,773
Other creditors	50,000	50,223	50,000	49,080
Accruals	638,629	414,412	515,183	336,703
Deferred income (note 16)	2,161,635	1,778,707	321,100	259,441
	3,341,066	2,612,703	1,723,998	1,072,588

Included within accruals is £26,900 (2011 £8,136) of accrued pension contributions

Carbon Disclosure Project
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2012

16	Deferred income	The Group		The Charity	
		2012 £	2011 £	2012 £	2011 £
	Balance brought forward	1,778,707	1,205,609	259,441	284,258
	Amounts released from prior years	(1,778,707)	(1,185,609)	(259,441)	(264,258)
	Deferred in current year	2,161,635	1,758,707	321,100	239,441
	Balance carried forward	<u>2,161,635</u>	<u>1,778,707</u>	<u>321,100</u>	<u>259,441</u>

Deferred income comprises grants and income which relate specifically to future accounting periods

17	Reserves	The Group				Balance at 31 March 2012 £
		Balance at 1 April 2011 £	Incoming resources £	Resources expended £	Transfers £	
	Unrestricted reserves	452,476	5,676,284	(4,837,853)	-	1,290,907
	Restricted reserves (note 18)	-	207,438	(192,438)	-	15,000
	Total funds	<u>452,476</u>	<u>5,883,722</u>	<u>(5,030,291)</u>	<u>-</u>	<u>1,305,907</u>
	The Charity					Balance at 31 March 2012 £
		Balance at 1 April 2011 £	Incoming resources £	Resources expended £	Transfers £	
	Unrestricted reserves	336,591	3,180,614	(2,408,762)	-	1,108,443
	Restricted reserves (note 18)	-	207,438	(192,438)	-	15,000
	Total funds	<u>336,591</u>	<u>3,388,052</u>	<u>(2,601,200)</u>	<u>-</u>	<u>1,123,443</u>

Carbon Disclosure Project
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2012

18 Restricted reserves

The Group and the Charity	Balance at 1 April 2011 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2012 £
DEFRA	-	78,217	(78,217)	-	-
The Swire Group Charitable Trust	-	31,965	(31,965)	-	-
Global Canopy Foundation	-	15,000	-	-	15,000
Foreign & Commonwealth Office	-	73,848	(73,848)	-	-
National Water Commission	-	8,408	(8,408)	-	-
	-	207,438	(192,438)	-	15,000

DEFRA

Development of Water Questionnaire for CDP Supply Chain

The Swire Group Charitable Trust

A contribution towards the growth of the CDP China

Global Canopy Foundation

For Investor engagement for the Forest Footprint disclosure project

Foreign & Commonwealth Office

For increasing Corporate Climate Change reporting in Japan

National Water Commission

For production of CDP Water Disclosure Australia report

19 Analysis of net assets between funds

	Unrestricted Funds 2012 £	Restricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Fixed assets	25,889	-	25,889	16,823
Cash at bank and in hand	3,041,559	15,000	3,056,559	1,706,303
Other current assets	1,564,525	-	1,564,525	1,342,053
Current liabilities	(3,341,066)	-	(3,341,066)	(2,612,703)
	1,290,907	15,000	1,305,907	452,476

20. 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 incoming resources for the year were £3,388,052 (2011 £2,049,463) which included donations of £1,486,894 (2011 £882,782) from its wholly owned subsidiary undertakings. The increase in the company's funds for the year was £786,852 (2011 increase in funds £27,941).

Carbon Disclosure Project
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2012

21 Controlling party

In the opinion of the Trustees, there is no overall controlling party of the charity, Carbon Disclosure Project

22 Related party transactions

As the charitable company prepares consolidated financial statements, it has taken advantage of the exemption under the Companies Act 2006 from disclosing intra-group transactions

At the year end the charitable company owed £458,771 (2011 £172,996) to Carbon Disclosure Project (Trading) Limited, a wholly owned subsidiary company incorporated in England and Wales. At the year end the charitable company was owed £11,162 (2011 £16,287) by Carbon Disclosure Project gemeinnützige GmbH, a wholly owned subsidiary company incorporated in Germany. At the year end the charitable company was owed £8,022 (2011 £Nil) by Carbon Disclosure Project South America, a subsidiary by virtue of control. At the year end the charitable company was owed £4,525 (2011 £Nil) by Carbon Disclosure Project Australia, a subsidiary by virtue of control.