

Company Registration No. 05013650
Charity Registration No. 1122330

Amended

CDP Worldwide
(A company limited by guarantee)

Annual report and financial statements

For the year ended 31 March 2016



CDP Worldwide
(A company limited by guarantee)

Contents

| | Pages |
|--|--------------|
| Administrative details of the charity, its Trustees and Advisers | 1 |
| Trustees' report (incorporating strategic report) | 2-10 4-5 |
| Independent auditor's report | 11-12 |
| Consolidated statement of financial activities | 13 |
| Balance sheets | 14 |
| Consolidated cash flow statement | 15 |
| Notes to the financial statements | 16-31 |

CDP Worldwide
(A company limited by guarantee)

Administrative details of the charity, its Trustees and Advisers

| | | |
|--------------------------|--|---|
| Board of Trustees | Alan Brown Jeremy Smith Takejiro Sueyoshi Martin Wise Katherine Hampton Jeremy Burke Jane Ambachtsheer | Chairman |
| Company Secretary | Simon Barker | |
| Company Number | 05013650 | |
| Charity Number | 1122330 | |
| Principal Office | 3 rd Floor, Quadrant House 4 Thomas More Square Thomas More Street London E1W 1YW | |
| Management Board | Paul Dickinson Paul Simpson Sue Howells Marcus Norton Frances Way Simon Barker | Executive Chairman Chief Executive Officer Chief Operating Officer - Global Operations Chief Partnerships Officer and General Counsel Chief Operating Officer - Programs Chief Financial Officer |
| Auditor | Menzies LLP Chartered Accountants and Statutory Auditor Lynton House 7-12 Tavistock Square London WC1H 9LT | |
| Bankers | HSBC Bank plc 25 Islington High Street London N1 9LJ Unity Trust Nine Brindleyplace Birmingham B1 2HB | |

CDP Worldwide
(A company limited by guarantee)

Trustees' report
for the year ended 31 March 2016

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 2016. 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 2005 (Revised 2008) ('the SORP').

Overview of CDP

CDP's vision is of a global economic system that operates within sustainable boundaries and prevents dangerous climate change. We request environmental information from companies, cities and states and regions, on the impacts and dependencies that they have on the world's natural resources – specifically climate change, deforestation and water security – and their strategies for managing these. The process of disclosing information to CDP via our disclosure platform incentivises companies and cities to measure, manage and reduce their impact on the environment and build resilience. By providing this high quality information to the market we are changing the way businesses, investors, governments and cities behave and accelerating the transition to a sustainable economy.

We are headquartered in London, and have key hubs in Berlin (serving Europe) and, through an affiliate, in New York (serving North America). We have further operations in Australia, Brazil, China, India and Japan and operate through local partners in Columbia, Ireland, Peru, South Africa, South Korea, Taiwan and Turkey.

Our expenditure on charitable activities in the year was £6.9m (2014/15: £5.1m) which was funded by a combination of philanthropic and government grants, corporate-sourced income and a licence royalty and service fee received from our North American affiliate.

Strategic aims

The strategic aims of the charity through to year end 2016 were:

1. To increase corporate transparency on environmental impact and performance.
2. To make environmental performance central to investment and business decisions.
3. To assist cities to reduce their climate impacts and build resilience.
4. To support effective policy and regulation to protect the environment.

Significant activities, achievements and performance

In the year leading up to December's pivotal United Nations Framework Convention on Climate Change (UNFCCC) Conference of Parties (COP 21), CDP prioritized activities that would add momentum to the negotiations and give world leaders the confidence to sign an ambitious climate agreement. We partnered with We Mean Business, a coalition of leading environmental not-for-profit organisations, to launch Commit to Action, a campaign giving businesses a platform to join a drumbeat of collective climate action and leadership. We invited leading companies to commit to one or more of a set of innovative and practical climate initiatives, including pledging to set climate science-based carbon reduction targets, committing to procure 100% of electricity from renewable sources and set an internal carbon price. By COP 21, 359 companies including Walmart, PepsiCo and Royal Dutch Shell had made over 570 commitments. To showcase the commitments of all the companies that disclose to CDP, CDP shared the data with the Non-State Actor Zone for Climate Change (NAZCA), an online portal hosted by the UNFCCC.

COP 21 provided CDP with an unprecedented opportunity to engage with key stakeholders and demonstrate the instrumental role we can play in the transition to a new, low carbon world. We hosted over 20 events during the 12-day conference, including an event to launch our Compact of States and Regions report, attended by high-profile figures including United Nations Secretary-General Ban Ki-Moon. CDP's role at COP 21 also generated wide-reaching media and social media coverage. Our Executive Chairman, Paul Dickinson, featured in televised interviews by CNBC and BBC World Service, and CDP received coverage in top-tier news publications including The New York Times and The Guardian.

CDP Worldwide
(A company limited by guarantee)

Trustees' report
for the year ended 31 March 2016

On the final day of COP 21 history was made when 196 countries agreed to adopt an agreement that seeks to limit the global temperature rise not just to below 2°C, but to strive for 1.5°C and, critically, to update national targets every five years to keep raising ambition. By establishing a clear, long-term goal to achieve an early peak of greenhouse gas emissions and zero overall global emissions in the second half of this century, world leaders have set us on a path to decouple our prosperity and development from fossil fuel use. While businesses are already demonstrating their bold leadership on climate change, the Paris Agreement now provides the policy foundation from which these efforts can and will be scaled up. CDP is a ready and willing partner to enable the private sector to achieve this.

In September 2015, Mark Carney, governor of the Bank of England and chairman of the Financial Stability Board, delivered a speech at Lloyds of London calling for tougher corporate disclosure standards on climate change to uphold our economy's financial resilience and long-term prosperity. His speech was the stimulus for the creation of The Task Force on Climate-related Financial Disclosure (TCFD), which was officially launched at COP 21. Chaired by Michael Bloomberg, former Mayor of New York City, the TCFD will develop recommendations for G20 countries on voluntary, consistent climate-related financial risk disclosures for use by companies and financial institutions in providing information to investors, lenders, insurers and other stakeholders. Having driven forward best-practice climate disclosure for the past 15 years, CDP is fully equipped to support the Task Force with its expertise. We have recently recruited a Task Force Engagement Director to lead on a manifesto that will put forward CDP's recommendations on reporting standards to the TCFD.

In late 2015 Her Majesty's Treasury consulted on simplifying energy and climate tax and reporting requirements for UK companies, proposing to remove several existing regulations including the greenhouse gas reporting requirement. CDP carried out a range of outreach and engagement activities to make the case for the UK retaining its market-leading mandatory carbon reporting requirements to government departments, and acted as a rallying point for non-governmental organizations and business and investor associations concerned about the potential loss of this regulation. These efforts were successful, with the government announcing on 16 March 2016 that it had heard the views put forward on behalf of investors in support of this regulation and intended to retain it.

In 2015-2016, CDP increased the number of institutional investors endorsing, and the number of companies responding to, our annual climate change, forests and water questionnaires to the following levels:

Climate change, deforestation and water security

Climate change

- 822 institutional investors with US\$95 trillion assets, a 7% increase over the previous year
- 5,625 responding companies, a 12% increase over the previous year, including 1,997 companies responding to the questionnaire at the request of investors, representing close to 60% of global market capitalisation

In 2015-2016 435 companies disclosed using an internal price on carbon, a near tripling of the 150 companies that did so in 2014-2015.

Deforestation

- 298 institutional investors with US\$19 trillion in assets, a 24% increase over the previous year
- 180 responding companies, an 11% increase over the previous year

In 2015-2016 70% of responding companies made a commitment to reduce or remove deforestation and forest degradation from their supply chains.

Water security

- 617 institutional investors with US\$63 trillion in assets, an 8% increase over the previous year
- 1,237 responding companies, a 16.3% increase over the previous year, including 405 companies responding to the questionnaire at the request of investor

CDP Worldwide
(A company limited by guarantee)

Trustees' report (incorporating strategic report)
for the year ended 31 March 2016

Between 2011/12 and 2015/16 the number of companies in the beverages sector reporting that they give water stewardship board level oversight increased by 50% (in conjunction with a 113% increase in beverage companies disclosing their impacts to CDP).

Cities, states and regions

308 cities across 57 countries, representing nearly a third of global GDP and 6% of world population, disclosed their climate change mitigation and risk management strategies to CDP this year, representing a 48% increase in the number of cities that disclosed to us in the previous year. Our analysis reveals that many of these cities are helping to lead the low carbon transition by using renewable energy. For example, more than 50 cities disclosing to CDP are obtaining at least 75% of their energy from non-fossil fuel sources.

Sixty-five states and regions from around the world reported to CDP in 2015/16, up from 12 in 2014/15. Of these, 44 have joined the Compact of States and Regions, an initiative that asks states and regions to make a public commitment to reduce greenhouse gas emissions and to publicly report a standard set of GHG inventory data on an annual basis.

Institutional investors

CDP's *sector research for investors* series aims to provide the best and most tailored environmental data in the market, to help institutional investors evaluate climate risk in their portfolios. This year we published in-depth reports on four high emitting sectors, starting with electric utilities, diversified chemicals, metals and mining, and most recently an update to the automotive industry research we carried out last year. The executive summaries for these reports are made available to the public on CDP's website and have collectively been downloaded over 60,000 times, and in December 2015, the Independent Research in Responsible Investment survey ranked CDP the number one global research house for climate change, while our *sector research for investors* series was voted the most innovative research product. CDP data is also increasingly being used in the creation of financial products. These include the STOXX Low Carbon Indices, and New York State's pension fund's US\$2 billion low-carbon investment fund, built by Goldman Sachs.

CDP's work with investors also includes our collaboration with the Portfolio Decarbonisation Coalition (PDC), an initiative we co-founded with the United Nations Environment Programme (UNEP) and its Finance Initiative (UNEP FI), the fourth national pension fund of Sweden (AP4) and Europe's largest asset manager Amundi. PDC provides a credible, independent umbrella for mainstream institutional investors to commit to decarbonizing their portfolios, to facilitate the transition to a low carbon world. To date, 25 institutional investors including Dutch civil service pension giant ABP and German insurer Allianz, have endorsed the initiative and committed to decarbonize US\$540 billion in equity investment.

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, amended 18th December 2013.

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.

CDP Worldwide
(A company limited by guarantee)

Trustees' report (incorporating strategic report)
for the year ended 31 March 2016

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.

Trustees

After long periods of service to CDP James Cameron, Benjamin Goldsmith, Dr Christoph Schröder, Christopher Page and Tessa Tennant (one of the three original founders of CDP) resigned as Trustees on 16 December 2015. We would like to thank them all for their dedication over the years. Jane Ambachtsheer was appointed on the same date.

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 and China. Control is exercised over companies in Australia, Brazil and India through majority Board representation.

CDP North America, Inc is an independently incorporated affiliate of CDP Worldwide and hence is not consolidated in to 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 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, deforestation, water security and Cities and Investor Initiatives ('LSF').

CDP Worldwide
(A company limited by guarantee)

Trustees' report
for the year ended 31 March 2016

Financial review

Where our income comes from

Our income in the 2015/16 year came from four main sources:

- Philanthropic and government grants - £5.1m (2014/15: £4.3m)
- Service-based activities, principally supply chain, reporter services, corporate partnerships and sponsorships - £2.3m (2014/15: £2.4m)
- Other corporate-sourced income, including investor memberships, data sales and corporate donations - £0.9m (2014/15: £1.2m)
- An annual licence royalty and reporting platform service fee ('LSF') received from our affiliate CDP North America, Inc - £0.8m (2014/15: £0.5m)

Our total income rose from £8.4m to £9.1m because of a higher LSF received from CDP North America, Inc. reflecting the growth in that geography which we supported through increased collaboration on programmes which span the whole of CDP. This was coupled with the continued strength of philanthropic and government funding and corporate-sourced income.

Where the money is spent

Charitable expenditure

Our charitable expenditure is analysed as follows:

| | 2015/16 £m | 2014/15 £m |
|---|---------------|---------------|
| Corporate disclosure and action on climate change, deforestation and water security | 4.0 | 3.2 |
| Institutional investor engagement | 1.7 | 1.1 |
| Disclosure and action by cities, states and regions | 1.2 | 0.8 |
| Total | 6.9 | 5.1 |

Expenditure on corporate disclosure and action on climate change, deforestation and water security reflects the cost of operating the CDP disclosure platform together with grant-funded activity in these areas. This included new grants for science-based targets and our forests program.

The increases in the other two categories reflect the scheduling of deliverables under our major three year grants with Children's Investment Fund Foundation ('CIFF') (Investor) and Bloomberg Philanthropies (Cities) and other new grants added in these categories.

Cost of service-based activities - £2.2m (2014/15: £2.2m)

This reflects the cost of delivery of supply chain, reporter services, corporate partnerships and sponsorships. These activities advance our mission but, because there is a more than incidental benefit to the entities that we provide these services to, under accounting standards we are required to classify them as a cost of generating funds rather than expenditure on charitable activities. The net contribution to CDP of these activities was £0.1m (2014/15: £0.2m).

CDP Worldwide
(A company limited by guarantee)

Trustees' report
for the year ended 31 March 2016

Dedicated fundraising costs - £0.4m (2014/15: £0.5m)

These costs reflect the resources that are directly dedicated to philanthropic and government fundraising. The slight reduction reflected an alteration in the structure of our government fundraising team during the year as we consolidated resources.

Analysis by nature of expense

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

| | 2015/16 £m | 2014/15 £m |
|--------------------|---------------|---------------|
| Staff costs | 6.6 | 5.4 |
| Other direct costs | 1.5 | 1.3 |
| Support costs | 1.4 | 1.1 |
| Total | 9.5 | 7.8 |

Staff costs have increased reflecting the increase in the average number of full-time employees from 115 to 132 in the year as we added new staff to fulfil programmatic work and support the CDP disclosure platform. The average total cost per employee (including employer and pension costs) rose from £47,000 to £50,000 reflecting some wage inflation coupled with a more senior mix of employees as we brought specialist expertise into the organisation.

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 increased in line with the increase in programmatic activity.

Support costs, which include premises, telecoms and IT costs, increased from £1.1m to £1.4m representing 20.3% and 21.2% of staff costs respectively. This percentage is higher than other comparator organisations because of the IT costs associated with operating our disclosure platform. The whole of the absolute increase in costs was attributable to increased IT server charges as services that we had received from Accenture on a pro bono basis up to January 2015 were charged at higher rates from that date. In January 2016 we transitioned to a lower cost provider with an anticipated year on year benefit of £0.3m.

Our premises costs in the past two years have benefitted from a preferential short-term lease deal on our London offices which expires in August 2016. We are currently negotiating a lease on new location in London which, reflecting market conditions, will be at a higher annual cost.

We continue to keep costs to a sensible minimum, spend our funds wisely and seek pro bono help wherever we can. However, as identified above, as CDP adds scale and becomes a more mature organisation our cost base will increasingly reflect market rates.

Unrestricted, restricted and total funds

The movement in unrestricted funds is a key indicator of the sustainable financial performance of CDP. In 2014/15 we had a net decrease in unrestricted funds of £0.6m. In 2015/16 we have taken actions to improve the tracking and conversion of income-generating opportunities and to better manage our costs. As a result, our underlying performance has improved and a net increase in unrestricted funds of £0.1m has been achieved in the year.

CDP Worldwide
(A company limited by guarantee)

Trustees' report
for the year ended 31 March 2016

Looking forward, for 2016/17 we have taken the key action of introducing an administrative fee for both investors (with assets of at least \$1bn) and responding companies (starting with those headquartered in the UK, Western Europe and North America) that participate in the CDP system. This creates an important new source of unrestricted income for CDP, conservatively estimated at some £0.6m.

The movement in restricted funds reflects the rate at which we are adding new restricted funds less the actual amounts spent to deliver against objectives. In 2015 the net increase was £1.2m principally reflecting the pattern of contributions and activity on the New Venture Fund, CIFF and Bloomberg grants where funds were paid to us in advance. This was reflected in the 31 March 2015 restricted funds balance of £1.8m.

In 2016 the net decrease is £0.4m reflecting the net application of resources to deliver grant objectives. At 31 March 2016 total restricted funds were £1.4m.

At 31 March 2016 total funds were £1.5m (31 March 2015: £1.8m).

Reserves policy

The Trustees have 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 2016 total reserves represented 2.4 months of direct charitable expenditure (31 March 2015: 4.2 months). As noted above, the introduction of an administrative fee will help to increase the future headroom against this measure.

Going concern

The Trustees consider that there is a reasonable expectation that CDP Worldwide has adequate resources to continue in operational existence for the foreseeable future and, for this reason, the Board of Trustees continues to adopt the 'going concern' basis in preparing the accounts.

Plans for future periods

The charity's focus is guided by recognition of the urgent need for action. Our overarching goal for the next three years is to drive companies and cities to reduce their greenhouse gas emissions, safeguard water resources and prevent the destruction of forests. The charity's strategy to meet this goal includes increasing the coverage of our system, increasing the use of our data in decision-making and accelerating the implementation of effective regulation.

Principal Risks and Uncertainties

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 service-based activities. The Trustees are satisfied that this broad spread provides some protection against a financial downturn in any individual sector.

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

CDP Worldwide
(A company limited by guarantee)

Trustees' report
for the year ended 31 March 2016

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 online. 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 is also dependent on the continued development of its IT systems over time.

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, and United States of America. Trade Mark applications are in place for other geographic areas of operation.

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.

The Trustees are responsible for keeping adequate 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.

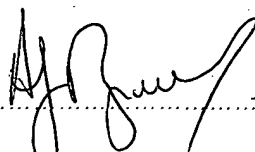
CDP Worldwide
(A company limited by guarantee)

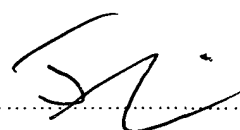
Trustees' report
for the year ended 31 March 2016

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 30 June 2016 and signed on its behalf by


A J Brown


Jeremy Smith

CDP Worldwide
(A company limited by guarantee)

Independent auditor's report to the Members of CDP Worldwide

We have audited the financial statements of CDP Worldwide for the year ended 31 March 2016 which comprise the Consolidated statement of financial activities, the Group and parent charitable company Balance sheets, the Consolidated cash flow statement 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 2016 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 (incorporating the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

CDP Worldwide
(A company limited by guarantee)

Independent auditor's report to the Members of CDP Worldwide

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 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.



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

Date: *30 June, 2016.*

CDP Worldwide
(A company limited by guarantee)

**Consolidated statement of financial activities (including consolidated income and expenditure account)
for the year ended 31 March 2016**

| | Notes | Unrestricted funds £m | Restricted Funds £m | 31 March 2016 £m | 31 March 2015 £m |
|---|-------|--------------------------|------------------------|------------------------|------------------------|
| Income | | | | | |
| Income for charitable activities | 2 | 0.8 | 5.1 | 5.9 | 5.1 |
| Income from service-based activities | 2 | 2.3 | - | 2.3 | 2.4 |
| Donations and other income | 2 | 0.9 | - | 0.9 | 0.9 |
| Total income | | 4.0 | 5.1 | 9.1 | 8.4 |
| Expenditure | | | | | |
| Expenditure on raising funds | | | | | |
| Expenditure on service-based activities | 3 | 2.2 | - | 2.2 | 2.2 |
| Dedicated fundraising expenditure | 4 | 0.4 | - | 0.4 | 0.5 |
| | | 2.6 | - | 2.6 | 2.7 |
| Expenditure on charitable activities | | | | | |
| Expenditure on programmes | 5 | 1.5 | 5.4 | 6.9 | 5.1 |
| Total expenditure | | 4.1 | 5.4 | 9.5 | 7.8 |
| Net (outgoing)/incoming resources before other recognised gains and losses | | (0.1) | (0.3) | (0.4) | 0.6 |
| Grant Funded capital expenditure transfer | | 0.1 | (0.1) | - | - |
| Exchange Differences | | | | | |
| On opening funds | | - | - | - | - |
| On results for the year | | 0.1 | - | 0.1 | - |
| Net movement in unrestricted funds | | 0.1 | | 0.1 | (0.6) |
| Net movement in restricted funds | | | (0.4) | (0.4) | 1.2 |
| Total funds brought forward | | - | 1.8 | 1.8 | 1.2 |
| Total funds carried forward | | 0.1 | 1.4 | 1.5 | 1.8 |

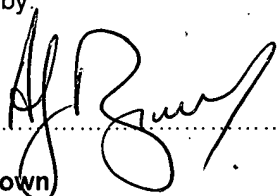
There are no recognised gains and losses other than those passing through the Consolidated Statement of Financial Activities. All of the group's activities are continuing.

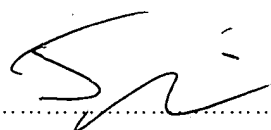
CDP Worldwide
(A company limited by guarantee)

Consolidated Balance sheet
for the year ended 31 March 2016

| | | The Group | | The Charity | |
|---|--------------|--------------------|--------------------|--------------------|--------------------|
| | Notes | 2016 £m | 2015 £m | 2016 £m | 2015 £m |
| Fixed assets | | | | | |
| Tangible assets | 9/10 | 0.7 | 0.3 | 0.6 | 0.1 |
| Investments | | - | - | - | - |
| | | <u>0.7</u> | <u>0.3</u> | <u>0.6</u> | <u>0.1</u> |
| Current assets | | | | | |
| Debtors | 11 | 2.0 | 1.7 | 1.0 | 0.9 |
| Cash at bank and in hand | | <u>2.0</u> | <u>2.1</u> | <u>1.2</u> | <u>1.8</u> |
| | | 4.0 | 3.8 | 2.2 | 2.7 |
| Creditors: amounts falling due within one year | 12 | (3.2) | (2.3) | (1.5) | (1.0) |
| Net current assets | | <u>0.8</u> | <u>1.5</u> | <u>0.7</u> | <u>1.7</u> |
| Net assets | | <u>1.5</u> | <u>1.8</u> | <u>1.3</u> | <u>1.8</u> |
| Funds | | | | | |
| Restricted | 14/15 | 1.4 | 1.8 | 1.2 | 1.7 |
| Unrestricted | 14 | <u>0.1</u> | <u>-</u> | <u>0.1</u> | <u>0.1</u> |
| | | 1.5 | 1.8 | 1.3 | 1.8 |

The financial statements were approved by the Board of Trustees on 30 June 2016 and were signed on its behalf by:


 A J Brown


 Jeremy Smith

Company Registration No. 05013650

CDP Worldwide
(A company limited by guarantee)

Consolidated cash flow statement
for the year ended 31 March 2016

| | Notes | 2016 £m | 2015 £m |
|---|-------|--------------|--------------|
| Cash flows from operating activities | 21 | 0.4 | (0.2) |
| Cash flows from investing activities | | (0.6) | (0.1) |
| Cash flows from financing activities | | 0.1 | - |
| Decrease in cash in the year | | <u>(0.1)</u> | <u>(0.3)</u> |
| Reconciliation of net cash flow to movement in net funds | | | |
| Net cash balances at 1 April 2015 | | 2.1 | 2.4 |
| Net cash balances at 31 March 2016 | | <u>2.0</u> | <u>2.1</u> |

CDP Worldwide
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

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 are prepared in compliance with the Statement of Recommended Practice in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)

The charity has adjusted the formats from those prescribed by the Companies Act 2006 to include headings that are relevant to its activities, to enable it to show a true and fair view.

The principal accounting policies, which have been applied consistently in the year, are set out below.

1.2 Disclosure exemption

The individual accounts of CDP Worldwide have also adopted the following disclosure exemption:
- 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 2016. 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 and paragraph 397 of the SORP.

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:-

| | |
|---|-------------------|
| CDP Reporting Platform & Analytics Module | 25% straight line |
| Computer equipment | 25% straight line |
| Fixtures, fittings and equipment | 25% straight line |

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

CDP Worldwide
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

1.6 Income

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.

Revenue only includes gross inflow of economic benefits for the entity's own account relating to the grants, donations, sponsorships and income from service-based activities. In preparing these accounts no value has been attributed to the work performed by volunteers in accordance with the SORP 2015, although their work is considered vital to the activities of the charity.

1.7 Expenditure

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.

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

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.

1.8 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.

CDP Worldwide
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

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.

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.

1.12 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.

1.13 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 2016 the number of guarantor members was 7.

1.14 FRS 102 Translation

The opening fund balances at the date of transition have been restated (see note 23) to record a liability for holiday pay but no subsequent restatement of items has been required in making the transition to FRS 102. The transition date was 1 April 2014.

1.15 Change in basis of expense allocation

This year's financial statements include adjusted expense comparatives which has been carried out in accordance with FRS 102 in order to adopt a consistent classification of expenditure charged to the Statement of Financial Activities.

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 income are recognised in the Statement of Financial Activities once the charity has entitlement to the resources, as discussed in note 1.6. However, the entitlement to these resources and assumptions regarding when income is recognised is down to interpretation.

Liabilities are recognised where there is a legal and constructive obligation committing the charity to the expenditure, per note 1.7. 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.

CDP Worldwide
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

2. Income

| | Unrestricted Funds 2016 £m | Restricted Funds 2016 £m | Total Funds 2016 £m | Total Funds 2015 £m |
|---|---|---|--|--|
| Income from charitable activities | | | | |
| Grants | 0.3 | 5.1 | 5.4 | 4.3 |
| Annual investor memberships | 0.2 | - | 0.2 | 0.2 |
| Global data partnerships | 0.3 | - | 0.3 | 0.5 |
| Income from service-based activities | | | | |
| Sponsorships and other | 1.2 | - | 1.2 | 1.2 |
| Corporate memberships and partnerships | 1.1 | - | 1.1 | 1.2 |
| Donations and other income | | | | |
| Donations and other income | 0.1 | - | 0.1 | 0.5 |
| Licence and service fees | 0.8 | - | 0.8 | 0.5 |
| | 4.0 | 5.1 | 9.1 | 8.4 |

Income from restricted funds in 2015 was £4.3m.

CDP Worldwide
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

| 3. Analysis of service-based activities | Unrestricted Funds 2016 £m | Restricted Funds 2016 £m | Total Funds 2016 £m | Total Funds 2015 £m |
|--|---|---|------------------------------------|------------------------------------|
| <i>Income</i> | | | | |
| Sponsorship fees and other service based activities | 1.2 | - | 1.2 | 1.2 |
| Corporate memberships and partnerships | 1.1 | - | 1.1 | 1.2 |
| <i>Total income</i> | 2.3 | - | 2.3 | 2.4 |
| <i>Expenditure on service-based activities</i> | | | | |
| Staff costs | 1.5 | - | 1.5 | 1.3 |
| Other direct costs | 0.3 | - | 0.3 | 0.3 |
| Support costs | 0.4 | - | 0.4 | 0.6 |
| <i>Total cost of activities</i> | 2.2 | - | 2.2 | 2.2 |
| <i>Net income from service-based activities</i> | 0.1 | - | 0.1 | 0.2 |

All income and expenditure from service-based activities are related to unrestricted funds in the current and prior years.

| 4. Expenditure on dedicated fundraising | Unrestricted Funds 2016 £m | Restricted Funds 2016 £m | Total Funds 2016 £m | Total Funds 2015 £m |
|--|---|---|------------------------------------|------------------------------------|
| Staff costs | 0.3 | - | 0.3 | 0.4 |
| Other direct costs | 0.1 | - | 0.1 | 0.1 |
| Support costs | - | - | - | - |
| | 0.4 | - | 0.4 | 0.5 |

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

CDP Worldwide
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

5. Expenditure on programmes

| | Unrestricted Funds 2016 £m | Restricted Funds 2016 £m | Total Funds 2016 £m | Total Funds 2015 £m |
|---|-------------------------------------|-----------------------------------|------------------------------|------------------------------|
| By programme | | | | |
| Corporate disclosure and action on climate change, deforestation and water security | 1.4 | 2.6 | 4.0 | 3.2 |
| Institutional investor engagement | 0.1 | 1.6 | 1.7 | 1.1 |
| Disclosure and action by Cities, states and regions | - | 1.2 | 1.2 | 0.8 |
| | <u>1.5</u> | <u>5.4</u> | <u>6.9</u> | <u>5.1</u> |
| By nature of expenditure | | | | |
| Staff costs | 1.1 | 3.7 | 4.8 | 3.7 |
| Other direct costs | 0.1 | 1.0 | 1.1 | 0.9 |
| Support costs | 0.3 | 0.7 | 1.0 | 0.5 |
| | <u>1.5</u> | <u>5.4</u> | <u>6.9</u> | <u>5.1</u> |

Expenditure on charitable activities from restricted funds in 2015 was £3.2m.

6. Analysis of support costs

| | Service-based activities £'000 | Dedicated fundraising £'000 | Charitable Programmes £'000 | Total 2016 £'000 | Total 2015 £'000 |
|----------------------------|--------------------------------------|-----------------------------------|-----------------------------------|------------------------|------------------------|
| Premises | 104 | 11 | 288 | 403 | 461 |
| Other office costs | 18 | 2 | 51 | 71 | 77 |
| Telecoms | 17 | 2 | 46 | 65 | 82 |
| IT Software and website | 211 | 23 | 587 | 821 | 488 |
| Total support costs | <u>350</u> | <u>38</u> | <u>972</u> | <u>1,360</u> | <u>1,108</u> |

7. Expenditure for the period includes:

| | 2016 £'000 | 2015 £'000 |
|--|---------------|---------------|
| The following have been charged to the Statement of Financial Activities:- | | |
| Depreciation | 198 | 120 |
| Auditor fees to Menzies LLP | 30 | 20 |
| Remuneration of Menzies LLP for non-audit work | 7 | 8 |

During the year no Trustees received any remuneration or benefits-in-kind (2015: £Nil).

During the year no Trustees received any reimbursement of expenses (2015: £Nil).

CDP Worldwide
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

8. Staff costs

| Average monthly number of full time employees | Total 2016 | Total 2015 |
|--|-----------------------|-----------------------|
| Charitable programmes | 100 | 85 |
| Service-based activities | 26 | 23 |
| Dedicated fundraising | 6 | 7 |
| Total average monthly number of full time employees | 132 | 115 |

| Analysis of staff costs: | Total 2016 £'000 | Total 2015 £'000 |
|---------------------------------|---------------------------------|---------------------------------|
| Wages and salaries: | | |
| Directly employed staff members | 5,282 | 4,226 |
| Other contracted staff members | 320 | 417 |
| Social security costs | 633 | 511 |
| Other pension costs | 287 | 212 |
| Training & recruitment | 118 | 80 |
| Total staff costs | 6,640 | 5,446 |

| By department | Unrestricted Funds £'000 | Restricted Funds £'000 | Total 2016 £'000 | Total 2015 £'000 |
|--------------------------|---|---------------------------------------|---------------------------------|---------------------------------|
| Charitable programmes | 1,102 | 3,740 | 4,842 | 3,729 |
| Service-based activities | 1,498 | - | 1,498 | 1,312 |
| Dedicated fundraising | 300 | - | 300 | 405 |
| | 2,900 | 3,740 | 6,640 | 5,446 |

| Analysis of higher paid employees | Total 2016 | Total 2015 |
|--|-----------------------|-----------------------|
| £60,001 - £70,000 | 6 | 1 |
| £70,001 - £80,000 | 4 | 4 |
| £80,001 - £90,000 | 1 | 1 |
| £90,001 - £100,000 | 1 | 3 |
| Total | 12 | 9 |

Twelve (2015: Nine) members of higher paid staff are accruing benefits under money purchase pension schemes. Pension contributions totalling £49,961 (2015: £48,839) were expensed in the year for the higher paid employees.

Key management personnel were paid £562,749 (2015 - £570,274) in the year.

CDP Worldwide
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

9. Tangible fixed assets

| The Group | The Group Total £m | Subsidiaries Total £m | The charity Total £m |
|-------------------------|-----------------------------------|--------------------------------------|-------------------------------------|
| Cost | | | |
| At 1 April 2015 | 0.5 | 0.3 | 0.2 |
| Additions | 0.6 | - | 0.6 |
| Disposals | - | - | - |
| At 31 March 2016 | 1.1 | 0.3 | 0.8 |
| Depreciation | | | |
| At 1 April 2015 | 0.2 | 0.1 | 0.1 |
| Charge for the year | 0.2 | 0.1 | 0.1 |
| Eliminated on disposals | - | - | - |
| At 31 March 2016 | 0.4 | 0.2 | 0.2 |
| Net book value | | | |
| At 31 March 2016 | 0.7 | 0.1 | 0.6 |
| At 31 March 2015 | 0.3 | 0.2 | 0.1 |

CDP Worldwide group's tangible fixed assets include fixtures, fittings and equipment worth a net book value of £31,359 and computer equipment and software worth a net book value of £635,532.

CDP Worldwide group's subsidiaries tangible fixed assets include fixtures, fittings and equipment worth a net book value of £2,195 and computer equipment and software worth a net book value of £566,316.

CDP Worldwide the charity tangible fixed assets include fixtures, fittings and equipment worth a net book value of £29,164 and computer equipment and software worth a net book value of £69,216.

CDP Worldwide
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

10. Fixed asset investments

| | | Shares in Group undertakings |
|-----------------------|--|------------------------------------|
| The Charity | | £m |
| Cost | | |
| At 1 April 2015 | | - |
| Additions | | 0.1 |
| Impairment | | (0.1) |
| At 31 March 2016 | | - |
| Net book value | | |
| At 31 March 2016 | | - |
| At 31 March 2015 | | - |

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 % |
|---|---|-------------------------------|--|
| CDP Operations Limited | England and Wales | Ordinary | 100 |
| CDP Worldwide (Europe) gGmbH | Germany | Ordinary | 100 |
| Beijing Carbon Disclosure Project Environment Consulting Co Limited | China | Ordinary | 100 |
| Name of Company | Principal Activity | | |
| CDP Operations Limited | Trading company for the charity CDP Worldwide with the primary purpose to fulfil the charity's objectives | | |
| CDP Worldwide (Europe) gGmbH | Charitable work in support of climate and environmental protection | | |
| Beijing Carbon Disclosure Project Environment Consulting Co Limited | Charitable work in support of climate and environmental protection | | |

CDP Worldwide owns 100% of the voting rights and nominal share capital of the above subsidiaries. The subsidiaries' accounts have been consolidated with CDP Worldwide's accounts.

CDP Worldwide
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

| 11. Debtors due within one year | The Group | | The Charity | |
|--|------------|------------|-------------|------------|
| | 2016 £m | 2015 £m | 2016 £m | 2015 £m |
| Trade debtors | 1.5 | 1.5 | 0.3 | 0.5 |
| Amounts due from group undertakings | - | - | 0.5 | 0.2 |
| Prepayments and accrued income and other debtors | 0.5 | 0.2 | 0.2 | 0.2 |
| | <u>2.0</u> | <u>1.7</u> | <u>1.0</u> | <u>0.9</u> |

| 12. Creditors: amounts falling due within one year | The Group | | The Charity | |
|--|------------|------------|-------------|------------|
| | 2016 £m | 2015 £m | 2016 £m | 2015 £m |
| Trade creditors | 0.3 | 0.4 | 0.2 | 0.3 |
| Amounts due to group undertakings | - | - | 0.1 | 0.2 |
| Other taxes and social security costs | 0.4 | 0.2 | 0.4 | 0.2 |
| Other creditors | 0.2 | 0.1 | 0.1 | 0.1 |
| Accruals | 0.6 | 0.2 | 0.5 | 0.1 |
| Deferred income (note 13) | 1.7 | 1.4 | 0.2 | 0.1 |
| | <u>3.2</u> | <u>2.3</u> | <u>1.5</u> | <u>1.0</u> |

Included within accruals is £11,500 (2015: £22,455) of accrued pension contributions.

CDP Worldwide
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

| 13. Deferred income | The Group | | The Charity | |
|-----------------------------------|------------|------------|-------------|------------|
| | 2016 £m | 2015 £m | 2016 £m | 2015 £m |
| Balance brought forward | 1.4 | 1.5 | 0.1 | 0.2 |
| Amounts released from prior years | (1.4) | (1.4) | (0.1) | (0.2) |
| Deferred in current year | 1.7 | 1.3 | 0.2 | 0.1 |
| Balance carried forward | 1.7 | 1.4 | 0.2 | 0.1 |

Deferred income comprises grants and income which relate specifically to activity to be undertaken in future accounting periods.

| | | | | | | |
|-----|-------------------------------|-------------------------------------|-----------------------------|-----------------------------|------------------------|--------------------------------------|
| 14. | Reserves | | | | | |
| | The Group | Balance at 1 April 2015 £m | Incoming resources £m | Resources expended £m | Gains/ Losses £m | Balance at 31 March 2016 £m |
| | Unrestricted reserves | -- | 4.0 | (4.1) | 0.2 | 0.1 |
| | Restricted reserves (note 15) | 1.8 | 5.1 | (5.4) | (0.1) | 1.4 |
| | Total funds | 1.8 | 9.1 | (9.5) | 0.1 | 1.5 |
| | The Charity | Balance at 1 April 2015 £m | Incoming resources £m | Resources expended £m | Transfer £m | Balance at 31 March 2016 £m |
| | Unrestricted reserves | 0.1 | 3.2 | (3.3) | 0.1 | 0.1 |
| | Restricted reserves (note 15) | 1.7 | 4.3 | (4.7) | (0.1) | 1.2 |
| | Total funds | 1.8 | 7.5 | (8.0) | - | 1.3 |

CDP Worldwide
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

15. Restricted reserves

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

| The Group and the Charity | Balance at 1 April 2015 £m | Incoming resources £m | Resources expended £m | Transfers £m | Balance at 31 March 2016 £m |
|---|-------------------------------------|-----------------------------|-----------------------------|-----------------|--------------------------------------|
| The Charity | | | | | |
| Bloomberg Philanthropies | 0.6 | 1.0 | (1.1) | - | 0.5 |
| Children's Investment Fund Foundation | 0.5 | 1.5 | (1.5) | (0.1) | 0.4 |
| DFID | - | 0.4 | (0.4) | - | - |
| New Venture Fund | 0.5 | 0.7 | (1.1) | - | 0.1 |
| Velux Foundation | - | 0.2 | (0.2) | - | - |
| World Business Council for Sustainable Development | - | 0.1 | (0.1) | - | - |
| Climate KIC | - | 0.1 | (0.1) | - | - |
| Climate Works | - | 0.2 | (0.1) | - | 0.1 |
| Other restricted grants | 0.1 | 0.1 | (0.1) | - | 0.1 |
| Total Charity | 1.7 | 4.3 | (4.7) | (0.1) | 1.2 |
| The Group and the Charity | | | | | |
| The Subsidiaries | | | | | |
| EU Life (Europe) | - | 0.3 | (0.3) | - | - |
| Climate KIC (Europe) | - | 0.1 | (0.1) | - | - |
| Other restricted grants | 0.1 | 0.4 | (0.3) | - | 0.2 |
| Total Group | 1.8 | 5.1 | (5.4) | (0.1) | 1.4 |

Bloomberg Philanthropies

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.

Children's Investment Fund Foundation

Funding for the 'Valuing Corporate Carbon' project which drives corporate emissions reductions by strengthening institutional investor engagement with companies.

Climate KIC

Funding in support of a range of our work including the 'CLIMPAX' project (to make the climate impact of investment funds transparent, enabling climate-friendly investment and encouraging the decarbonization of portfolios); the 'Climate Financier' project (to identify the main barriers to investment in urban emissions reduction projects); the 'Matchmaker' project (to use knowledge from the Climate Financier project to connect financially viable and sustainable projects with interested investors); and providing a reporting platform for the Compact of States and Regions and driving transparency, accountability and leadership on climate action among states and regions around the world.

CDP Worldwide
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

15. Restricted reserves (cont.)

EU Life Plus

Funding for a portion of CDP Europe's operating expenditure on climate change and deforestation disclosure and in support of the implementation of the EU Non-Financial Reporting Directive.

DFID

Funding for CDP's investor-led forests program to drive change in companies through disclosure and transparency, including through outreach and dissemination of the program's annual results across stakeholders (including policy makers).

New Venture Fund

Funding from the We Mean Business coalition, a partner of Ikea Foundation, 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).

The VELUX Foundation

Funding to explore future approaches to environmental disclosure including the integration of questions on climate change, water and forests and the potential extension of disclosure beyond these themes to other natural capital issues.

World Business Council for Sustainable Development

Funding for the Climate Disclosure Standards Board to deliver a WBCSD-led 'Reporting Exchange' project (a three-year collaborative program to develop a freely available global knowledge platform that aims to bring coherence to the sustainability reporting landscape by providing one central resource for reporting provisions).

16. Analysis of net assets between funds

| | Unrestricted Funds 2016 £m | Restricted Funds 2016 £m | Total Funds 2016 £m | Total Funds 2015 £m |
|--------------------------|---|---|--|--|
| Fixed assets | 0.7 | - | 0.7 | 0.3 |
| Cash at bank and in hand | 0.9 | 1.1 | 2.0 | 2.1 |
| Other current assets | 1.7 | 0.3 | 2.0 | 1.7 |
| Current liabilities | (3.2) | - | (3.2) | (2.3) |
| | 0.1 | 1.4 | 1.5 | 1.8 |

17. Operating lease commitments

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

| | The Group | | The Charity | |
|--|------------------|--------------|--------------------|--------------|
| | 2016 | 2015 | 2016 | 2015 |
| | £'000 | £'000 | £'000 | £'000 |
| Not later than 1 year | 91 | 113 | 72 | 96 |
| In the second to fifth years inclusive | 10 | 91 | 10 | 72 |
| | 101 | 204 | 82 | 168 |

CDP Worldwide
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

18. Related party transactions notes

As the charitable company prepares consolidated financial statements, it has taken advantage of the exemption under FRS102 33.1A from disclosing group transactions where the subsidiary is wholly owned by the group.

CDP North America, Inc is an independently incorporated affiliate of CDP Worldwide with US 501(c)3 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, Water, Investor and Cities initiatives.

As at 31 March 2016, an amount of £50,303 was owed by CDP North America, Inc. During the year, CDP Worldwide received income of £767,266 for support services.

During the year, a member of the key management personnel was seconded to New Venture Fund from which CDP Worldwide receives restricted income. The total restricted income received in the year was £733,322.

As at 31 March 2016, the following amounts were due to CDP Worldwide:

| | Incorporated in | 2016 £ | 2015 £ |
|---|-----------------|----------------|----------------|
| CDP Worldwide (Europe) gGmbH | Germany | 450,120 | 1,340 |
| Carbon Disclosure Project Limited (Australia) | Australia | - | 167,754 |
| Carbon Disclosure Project India | India | - | 52,004 |
| | | <u>450,120</u> | <u>221,098</u> |

The debtor due to CDP Worldwide from CDP Worldwide (Europe) gGmbH, a subsidiary of CDP Worldwide, is deemed recoverable based on the expected future cash flows of the entity.

As at 31 March 2016, the following amounts were due from CDP Worldwide:

| | Incorporated in | 2016 £ | 2015 £ |
|---|-----------------|----------------|----------------|
| CDP Operations Limited | England & Wales | 96,653 | 96,195 |
| Carbon Disclosure Project Latin America | Latin America | 2,493 | 4,673 |
| Beijing Carbon Disclosure Project Environment Consulting Co Ltd | China | 49,600 | 55,658 |
| | | <u>148,746</u> | <u>156,526</u> |

CDP Worldwide
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

19. Controlled subsidiaries

CDP Worldwide is the Parent Company of the following by virtue of direct control:

Carbon Disclosure Project Limited (Australia)
Carbon Disclosure Project India
Carbon Disclosure Project Latin America

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 income for the year were £7.5m (2015: £5.8m). The decrease in the company's funds for the year was £0.5m (2015: £0.5m).

21. Notes to the consolidated cash flow statement

Reconciliation of operating loss to net cash outflow from operating activities

| | Total 2016 £m | Total 2015 £m |
|---|------------------------------|------------------------------|
| (Deficit)/surplus on continuing operations | (0.4) | 0.6 |
| Depreciation | 0.2 | 0.1 |
| Interest receivable | - | - |
| (Increase)/decrease in debtors | (0.4) | (0.1) |
| Increase/(decrease) in creditors | 0.9 | (0.7) |
| Exchange differences | - | (0.1) |
| Cash flows from operating activities | 0.3 | (0.2) |

22. Controlling party

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

CDP Worldwide
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2016

23. FRS 102 Transition equity reconciliation

The Financial Statements are prepared in compliance with the Statement of Recommended Practice in accordance with FRS 102. The date of the transition is as of 1 April 2014, therefore brought forward reserves for the prior year and current year have been restated accordingly.

| | Total Funds £'000 |
|--|----------------------------------|
| <u>Group Accounts</u> | £'000 |
| B/Fwd. Reserves 1.4.14 as previously stated | 1,249 |
| Accrual for Holiday Pay | (56) |
| B/Fwd. Reserves 1.4.14 restated | <u>1,193</u> |
| B/Fwd. Reserves 31.3.15 as previously stated | 1,829 |
| Accrual for Holiday Pay | (67) |
| B/Fwd. Reserves 31.3.15 restated | <u>1,762</u> |
| <u>Charity Accounts</u> | |
| B/Fwd. Reserves 1.4.14 as previously stated | 417 |
| Accrual for Holiday Pay | (56) |
| B/Fwd. Reserves 1.4.14 restated | <u>361</u> |
| B/Fwd. Reserves 31.3.15 as previously stated | 195 |
| Accrual for Holiday Pay | (67) |
| B/Fwd. Reserves 31.3.15 restated | <u>128</u> |