

# **Climate Change Capital Group Limited**

Registered No: 06527842

## **Annual Report and Financial Statements**

31 December 2016

MONDAY



\*L6H7F3AB\*

LD2

16/10/2017

#37

COMPANIES HOUSE

## Contents

Corporate Information	1
Strategic report	2
Director's report	4
Statement of director's responsibilities	6
Independent auditor's report	7
Group income statement	10
Group and Company statement of comprehensive income	11
Group statement of changes in equity	12
Company statement of changes in equity	13
Group Statement of financial position	14
Company statement of financial position	15
Group statement of cash flows	16
Notes to the financial statements	17
1. Accounting policies	17
2. Turnover	20
3. Group operating loss	20
4. Auditor's remuneration	20
5. Staff costs	21
6. Taxation	22
7. Investments	24
8. Debtors: amounts falling due within one year	26
9. Creditors: amounts falling due within one year	26
10. Obligations under operating lease	26
11. Share capital	26
12. Related party transactions	27
13. Ultimate parent undertaking and controlling party	27

## Corporate Information

**Director**

B Whitley

**Secretary**

B Whitley

**Auditor**

Deloitte LLP

Hill House

1 Little New Street

London

EC4A 3TR

**Banker**

HSBC Bank plc

60 Queen Victoria Street

London

EC4N 4TR

**Registered office**

Room 113,

65 London Wall

London

EC2M 5TU

## Strategic report

The director presents his strategic report for the year ended 31 December 2016.

Climate Change Capital Group Limited (the "Company") and its subsidiaries (collective the "Group") has prepared these financial statements under FRS 102.

### Review of the business

The Group's principal activity during the year was continuing the orderly wind down of its investment management and advisor activities.

The Group's key financial indicators during the year were as follows:

	2016	2015
Turnover (£000s)	159	2,020
Operating loss (£000s)	(1,338)	(2,974)
Loss after tax and minority interest (£000s)	(1,318)	(4,437)
Shareholder's funds (£000s)	367	1,336

The Group's reported turnover decreased to £159k in 2016 compared to £2.020m for the previous year mainly due to the closure of the advisory business in June 2015 and the further winding up of the investment management business in 2016.

### Principal risks and uncertainties

The Group's Board which meets regularly to consider the risk and compliance exposures faced by the Group.

The principal risks and uncertainties facing the Group and reviewed regularly are:

#### *Operational risk*

Defined as the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events including breaches of compliance with legal contracts and financial crimes.

These risks are managed through effective and efficient operational procedures which are reviewed periodically.

#### *Exposure to credit, market, interest rate and liquidity risk*

The Group does not lend so credit risk is limited to the risk that losses may arise as a result of the Group's counterparties failing to meet their obligations to pay. Details of the Group's debtors are shown in note 9 to the financial statements.

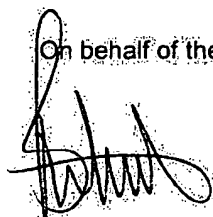
Market risk is defined as the impact on the Group due to changes in market prices of financial instruments. The Group does not trade on its own account and therefore does not have market risk of any significance. Majority of the transactions and expenses are in local currency which minimises the effects of any currency exposure.

## Strategic report (continued)

### *Exposure to credit, market, interest rate and liquidity risk (continued)*

Liquidity risk is the risk that the Group will be unable to meet its financial obligations as they fall due as assets held cannot be realised. The Group has no borrowings and holds its surplus cash balances in deposit accounts of short maturity. The Group's liquidity risk is closely monitored, to ensure sufficient cash is held in short notice accounts to meet planned cash outlays.

On behalf of the Board



B. Whitley

Director

13 October 2017

## Director's report

Registered No: 06527842

The director presents his report and financial statements for the year ended 31 December 2016.

### Results and dividends

The consolidated loss for the year, after taxation, is £1.3m (2015 - loss of £4.4m). The director does not recommend the payment of any dividends (2015: £nil).

### Going concern

Given the letter of comfort from the ultimate parent undertaking, the director has a reasonable expectation that the Company has adequate access to resources to continue its operational existence for the foreseeable future and that it is therefore appropriate to continue to adopt the going concern basis in preparing the Annual Report and the financial statements.

### Future developments and events after the balance sheet date

No new business is currently being pursued by the Group.

There were no events subsequent to the date of the financial statements which require adjustment or disclosure in the financial statements.

### Research and development

During 2016 and 2015, the company did not have any significant research and development activities.

### Existence of branches outside of the UK

The Company has no branches, as defined in section 1046(3) of the Companies Act 2006, outside the UK.

### Financial risk management policies and objectives

Details of financial risks are included in the Strategic report.

### Political contributions

The Company did not make any political donations during the year (2015: £nil).

### Disabled employees

Applications for employment by disabled persons are fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

### Employee consultation

The Group participates in the Bunge Limited policies and practices relating to current and prospective employees. These policies and procedures are outlined in the Bunge Limited Annual Report which does not generally form part of this report.

### Director of the company

The current director, who held office throughout the year, is shown on page 1.

### Auditor

The director at the date of approval of this report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provision of section 418 of the Companies Act 2006.

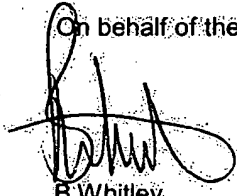
## Director's report

Registered No: 06527842

### Re-appointment of auditor

During the year Deloitte LLP were re-appointed as auditors of the Company and Group by the director. In accordance with s. 485 of the Companies Act 2006, the director proposes to re-appoint Deloitte LP as audited of the Company and Group at the Annual General Meeting.

On behalf of the Board



B Whitley

Director

13 October 2017

## Statement of director's responsibilities

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the group and the Company and of the profit or loss of the Group for that period. In preparing those financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



## **Independent auditor's report**

**to the members of Climate Change Capital Group Limited**

We have audited the financial statements of Climate Change Capital Group Limited for the year ended 31 December 2016 which comprise of the Group income statement; the Group and company statement of comprehensive income; the Group statement of changes in equity; the company statement of changes in equity; the Group statement of financial position; the company statement of financial position; the Group statement of cash flows; and the related notes 1 to 14. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

### **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of director's responsibilities, the director is 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 Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss 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 matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Director's report have been prepared in accordance with applicable legal requirements.

## **Independent auditor's report**


**to the members of Climate Change Capital Group Limited (continued)**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic report and the Director's report.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



Alastair Morley (Senior statutory auditor)

for and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

13 October 2017

**Group income statement**

for the year ended 31 December 2016

	Notes	2016 £	2015 £
Turnover	2	158,703	2,019,911
<b>Gross profit</b>		<u>158,703</u>	<u>2,019,911</u>
Administrative expenses		(1,496,511)	(4,993,639)
<b>Operating loss</b>	3 (a)	<u>(1,337,808)</u>	<u>(2,973,728)</u>
Interest income		10,711	19,064
Loss on disposal of fixed assets and investments		-	(1,482,375)
<b>Loss on ordinary activities before taxation</b>		<u>(1,327,097)</u>	<u>(4,437,039)</u>
Taxation	6	-	-
<b>Loss for the financial year</b>		<u>(1,327,097)</u>	<u>(4,437,039)</u>
Profit attributable to non-controlling interests		8,727	-
<b>Loss for the year attributable to members of the parent company</b>		<u>(1,318,370)</u>	<u>(4,437,039)</u>

## Group and Company statement of comprehensive income

for the year ended 31 December 2016

### Group statement of comprehensive income

	2016	2015
	£	£
Loss for the year attributable to members of the parent company	(1,318,370)	(4,437,039)
Movement in reserves due to minority interest	-	(95,529)
Movement in accumulated loss due to deconsolidation	-	(1,080,404)
Correction of prior year profit and loss reserve	-	733,780
<b>Total other comprehensive loss for the year</b>	<b>-</b>	<b>(442,153)</b>
<b>Total recognised losses relating to the year</b>	<b>(1,318,370)</b>	<b>(4,879,192)</b>

### Company statement of comprehensive income

	2016	2015
	£	£
Income / (loss) for the year attributable to members of the parent company	654,758	(7,763,631)
Correction of prior year profit and loss reserve	-	733,780
<b>Total other comprehensive income for the year</b>	<b>-</b>	<b>733,780</b>
<b>Total recognised income / (losses) relating to the year</b>	<b>654,758</b>	<b>(8,497,411)</b>

**Statement of changes in equity**

for the year ended 31 December 2016

Group	Called-up share capital	Share Premium reserve	Revaluation Reserve	Special Reserve	Profit and loss account	Shareholders' equity
	£	£	£	£	£	£
<b>At 1 January 2015</b>	7,295,794	103,715,531	95,529	-	(108,391,889)	2,714,965
Loss for the year	-	-	-	-	(4,437,039)	(4,437,039)
Other comprehensive income	-	-	(95,529)	-	(346,624)	(442,153)
<b>Total comprehensive income</b>	-	-	(95,529)	-	(4,783,663)	(4,879,192)
New shares issued	3,500,000	-	-	-	-	3,500,000
<b>At 31 December 2015</b>	<u>10,795,794</u>	<u>103,715,531</u>	<u>-</u>	<u>-</u>	<u>(113,175,552)</u>	<u>1,335,773</u>
Loss for the year	-	-	-	-	(1,318,370)	(1,318,370)
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	-	(1,318,370)	(1,318,370)
New shares issued	350,000	-	-	-	-	350,000
<b>At 31 December 2016</b>	<u>11,145,794</u>	<u>103,715,531</u>	<u>-</u>	<u>-</u>	<u>(114,493,922)</u>	<u>367,403</u>

The notes on pages 17-27 form an integral part of the financial statements.

**Statement of changes in equity**

for the year ended 31 December 2016

Company	Called up share capital	Share Premium reserve	Special Reserve	Profit and loss account	Shareholders' equity
	£	£	£	£	£
<b>At 1 January 2015</b>	7,295,794	103,715,531	-	(108,984,498)	2,026,828
Loss for the year	-	-	-	(7,763,631)	(7,763,631)
Other comprehensive income	-	-	-	733,780	733,780
Capital contribution received	-	-	-	498,272	498,272
<b>Total comprehensive loss</b>	-	-	-	(6,531,579)	(6,531,579)
New shares issued	3,500,000	-	-	-	3,500,000
<b>At 31 December 2015</b>	<u>10,795,794</u>	<u>103,715,531</u>	<u>-</u>	<u>(115,516,077)</u>	<u>(1,004,752)</u>
Income for the year	-	-	-	654,758	654,758
Other comprehensive income	-	-	-	-	-
Capital contribution received	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	654,758	654,758
New shares issued	350,000	-	-	-	350,000
<b>At 31 December 2016</b>	<u>11,145,794</u>	<u>103,715,531</u>	<u>-</u>	<u>(114,861,319)</u>	<u>6</u>

The notes on pages 17-27 form an integral part of the financial statements.

## Group statement of financial position

at 31 December 2016

Registered No. 06527842

	Notes	2016 £	2015 £
<b>Fixed assets</b>			
Investments	7	1,725	1,725
		<u>1,725</u>	<u>1,725</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	110,058	387,224
Other debtors		5,846	660,429
Prepayments			217,900
Cash at bank and in hand		401,571	878,939
		<u>517,475</u>	<u>2,144,492</u>
Creditors: amounts falling due within one year	9	(156,738)	(806,658)
<b>Net current assets</b>		<u>360,737</u>	<u>1,337,834</u>
<b>Total assets less current liabilities</b>		<u>362,462</u>	<u>1,339,559</u>
Minority interest		4,941	(3,786)
<b>Total net assets</b>		<u>367,403</u>	<u>1,335,773</u>
Called up share capital	11	11,145,794	10,795,794
Share premium account		103,715,531	103,715,531
Profit and loss account		(114,493,922)	(113,175,552)
<b>Shareholder's funds</b>		<u>367,403</u>	<u>1,335,773</u>

The consolidated financial statements of the Company were approved for issue by the Board of Directors on 13 October 2017.

On behalf of the Board



B. Whitley  
Director

13 October 2017

## Company statement of financial position

at 31 December 2016

Registered No. 06527842

	Notes	2016 £	2015 £
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	-	-
Cash at bank and in hand		6	6
		<u>6</u>	<u>6</u>
Creditors: amounts falling due within one year	9	-	(1,004,758)
<b>Net current assets</b>		<u>6</u>	<u>(1,004,752)</u>
<b>Total net assets</b>		<u>6</u>	<u>(1,004,752)</u>
Called up share capital	11	11,145,794	10,795,794
Share premium account		103,715,531	103,715,531
Profit and loss account		(114,861,319)	(115,516,077)
<b>Shareholder's funds</b>		<u>6</u>	<u>(1,004,752)</u>

The financial statements of the Company were approved for issue by the Board of Directors on 13 October 2017.

On behalf of the Board



B. Whitley  
Director  
13 October 2017



## Group statement of cash flows

for the year ended 31 December 2016

	Notes	2016 £	2015 £
Net cash outflow from operating activities	3 (b)	(838,079)	(5,619,778)
<b>Financing activities</b>			
Interest received		10,711	19,064
Issue of ordinary share capital		350,000	3,500,000
<b>Net cash flow from financing activities</b>		<b>360,711</b>	<b>3,519,064</b>
<b>Decrease in cash and cash equivalents</b>		<b>(477,368)</b>	<b>(2,100,714)</b>
Cash and cash equivalents at 1 January		878,939	2,979,653
<b>Cash and cash equivalents at 31 December</b>		<b>401,571</b>	<b>878,939</b>

## Notes to the financial statements

for the year ended 31 December 2016

### 1. Accounting policies

#### **Statement of compliance**

The Company is a limited liability company incorporated in England under the Companies Act. The registered office is Room 113, 65 London Wall, London, EC2M 5TU.

The Group's principal activity during the year was continuing the orderly wind down of its investment management and advisor activities.

The Group's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Group for the year ended 31 December 2016.

The Group transitioned from previously extant UK GAAP to FRS 102 for the year ending 31 December 2016.

In publishing the Parent company financial statements here together with the Group financial statements, CCCG has taken advantage of the exemption in section 408(3) of the Companies Act 2006 not to present its individual income statement and related notes that form a part of these financial statements.

#### **Basis of preparation**

The financial statements of the Group were approved for issue by the Board of Director on 13 October 2017.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102). The financial statements are presented in pounds sterling which is the functional currency of the Company.

#### **Basis of consolidation**

The Group financial statements consolidate the financial statements of the Company and all its subsidiary undertakings drawn up to 31 December each year. No profit and loss account is presented for Company as permitted by section 408 of the Companies Act 2006.

All subsidiary undertakings are consolidated in the Group financial statements. This includes entities which act as general partner to a limited partnerships; however the limited partnerships themselves are not consolidated in the case where the general partner only controls the limited partnership in a fiduciary duty for the benefit of the limited partners.

In the parent company financial statements investments in subsidiaries are accounted for at the lower of cost and the net recoverable amount.

#### **Going concern**

Given the letter of comfort from the ultimate parent undertaking, the director has a reasonable expectation that the Company has adequate access to resources to continue its operational existence for the foreseeable future and that it is therefore appropriate to continue to adopt the going concern basis in preparing the Annual Report and the financial statements.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements and estimations have had the most significant effect on amounts recognised in the financial statements.

#### **Loans**

The Company has extended loans to other Group entities. In determining the value of the loans to the Company, management makes assumptions regarding the expected recoverability of those loans.

## Notes to the financial statements

for the year ended 31 December 2016

### 1. Accounting policies (continued)

#### *Judgements and key sources of estimation uncertainty (continued)*

##### *Taxation*

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 6.

##### *Revenue recognition*

Revenue is recognised to the extent that the group obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must be met before revenue is recognised:

##### *Advisory and consulting revenue*

Revenue from advisory and consulting services is recognised as services are rendered.

##### *Management fees*

Revenue from the management of funds is recognised on a time basis and in accordance with the terms of the investment management agreement.

##### *Interest income*

Revenue is recognised as interest accrues using the effective interest method.

##### *Contingent fees*

Where the right to receive consideration does not arise until the occurrence of a critical event, which is outside of the control of the company, revenue is not recognised until that event occurs.

##### *Pensions and other post-retirement benefits*

Contributions to defined contribution schemes are recognised in the profit and loss account in the period in which they become payable.

##### *Foreign currencies*

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of comprehensive income.

The financial statements of overseas subsidiary undertakings are translated at the rate of exchange ruling at the balance sheet date except the profit and loss account which is translated using the average rate of exchange for the year. The exchange difference arising on the retranslation of opening net assets is taken directly to reserves. All other translation differences are taken to the Statement of comprehensive income.

##### *Deferred tax*

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that:

- Unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing difference reverses, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

## Notes to the financial statements

for the year ended 31 December 2016

### 1. Accounting policies (continued)

#### **Fixed asset investments**

The carrying values of fixed asset investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Further detail can be found in note 7.

#### **Short-term debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Income Statement, in operating expenses.

#### **Classification of shares as debt or equity**

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Accordingly, a financial instrument is treated as equity if:

- (i) there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable; and
- (ii) the instrument is a non-derivative that contains no contractual obligations to deliver a variable number of shares or is a derivative that will be settled only by the Group exchanging a fixed amount of cash or other assets for a fixed number of the group's own equity instruments.

When shares are issued, any component that creates a financial liability of the company or group is presented as a liability in the balance sheet, measured initially at fair value net of transaction costs and thereafter at amortised cost until extinguished on conversion or redemption. The corresponding dividends relating to the liability component are charged as interest expense in the income statement. The initial fair value of the liability component is determined using a market rate for an equivalent liability without a conversion feature.

The remainder of the proceeds on issue is allocated to the equity component and included in shareholders' equity, net of transaction costs. The carrying amount of the equity component is not re-measured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the shares based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

### 2. Turnover

Turnover represents the amounts derived from the provision of goods and services which fall within the group's ordinary continuing activities, stated net of value added tax.

An analysis of turnover by activity is given below:

	2016 £	2015 £
Investment management	158,703	854,911
Advisory/consulting	-	1,165,000
	<u>158,703</u>	<u>2,019,911</u>

## Notes to the financial statements

for the year ended 31 December 2016

### 2. Turnover (continued)

An analysis of turnover by geographical market is given below:

	2016 £	2015 £
United Kingdom	103,652	1,716,962
Other	55,051	302,949
	<u>158,703</u>	<u>2,019,911</u>

### 3. Group operating loss

(a) This is stated after charging:

	2016 £	2015 £
Auditor's remuneration (note 4)	60,000	111,200
Depreciation of owned fixed assets	-	124,120
Operating lease rentals - land and buildings	1,000,000	540,866
	<u>1,060,000</u>	<u>776,186</u>

(b) Reconciliation of operating loss to net cash outflow from operating activities

	2016 £	2015 £
Operating loss	(1,337,808)	(2,973,728)
Depreciation of tangible fixed assets	-	124,020
Loss on disposal of fixed assets	-	217,879
Loss on disposal of group investments	-	(2,183,473)
Decrease in debtors	1,149,649	647,969
Decrease in creditors	(649,920)	(2,186,225)
Correction of prior year error in parent company	-	733,780
	<u>(838,079)</u>	<u>(5,619,778)</u>

### 4. Auditor's remuneration

The remuneration of the auditor is further analysed as follows:

	2016 £	2015 £
Audit of the financial statements *	60,000	111,200
	<u>60,000</u>	<u>111,200</u>

\* The audit fees of the Company and the Group are borne by Climate Change Holdings Limited ("CCH").

## Notes to the financial statements

for the year ended 31 December 2016

### 5. Staff costs

#### (a) Staff costs

	2016 £	2015 £
Wages and salaries	-	2,257,896
Social security costs	-	282,886
		<u>2,540,782</u>

During 2016, the costs associated with redundancy were £nil (2015: £1,437,348) and are included in the above number.

The average monthly number of employees during the year was made up as follows:

	2016 No.	2015 No.
Investment management and advisory	-	6
Management	1	1
Administration	-	6
	<u>1</u>	<u>13</u>

#### (b) Director's emoluments

	2016 £	2015 £
Aggregate emoluments in respect of qualifying services	-	939,145
	<u>-</u>	<u>939,145</u>
In respect of the highest paid director:		
Aggregate emoluments	-	489,542
	<u>-</u>	<u>489,542</u>

During 2016, no amount was payable to any director as compensation for loss of office as a director (2015: £nil).

## Notes to the financial statements

for the year ended 31 December 2016

### 6. Taxation

#### (a) Tax on loss on ordinary activities

	2016	2015
	£	£
Current tax:		
UK corporation tax at 20% (2015: 20.25%)	-	-
Foreign tax	-	-
Total current tax charge (see note 6(b))	-	-

#### (b) Factors affecting the current tax charge

The tax assessed on the loss on ordinary activities for the year differs from the standard rate of corporation tax in the UK of 20% (2015: 20.25%). The differences are explained below:

	2016	2015
	£	£
Loss on ordinary activities before tax	(1,327,097)	(4,437,039)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015: 20.25%)	(265,419)	(898,500)
Effects of:		
Expenses not deductible for tax purposes	46,554	69,977
Rental settlement deemed capital in nature	200,000	-
Income not taxable for tax purposes	-	(1,428,490)
Movement in short term timing differences on which no deferred tax is recognised	-	(6,304)
Current year losses on which no deferred tax is recognised	28,812	2,263,504
Utilisation of brought forward tax losses	(9,947)	(187)
Total current tax for the year (see note 6(a))	-	-

## Notes to the financial statements

for the year ended 31 December 2016

### 6. Taxation (continued)

#### (c) Deferred taxation

##### Group

Deferred tax is analysed as follows:

	2016 £	2015 £
Non trade losses	69,031	69,031
Tax losses carried forward	5,085,599	5,068,621
Capital losses	348,538	348,539
Unrecognised deferred tax asset	5,503,168	5,486,191

##### Company

Deferred tax is analysed as follows:

	2016 £	2015 £
Non trade losses	69,031	69,031
Tax losses carried forward	985,270	985,277
Unrecognised deferred tax asset	1,054,301	1,054,308

The main rate of corporation tax reduced to 20% from 1 April 2015. Further reductions in the corporation rate to 19% from 1 April 2017 and 18 from 1 April 2020 were substantively enacted at the balance sheet date, and as such the unrecognised deferred tax balances shown above arising in respect of losses and short term timing differences is based on the reduced rate of 18%. The total unrecognised deferred tax asset is £5,503,168 (2015: £5,486,191)

In accordance with the policy stated in Note 1, no asset has been recognised in the balance sheet at the balance sheet date as the director does not currently consider it more than likely that there will be suitable taxable profits to offset this deferred balance.



## Notes to the financial statements

for the year ended 31 December 2016

### 7. Investments in unlisted companies and subsidiaries

#### *Investments in unlisted companies* *Group*

	<i>Unlisted Investments</i> £
Cost:	
At 1 January 2016	1,725
Movement	-
At 31 December 2016	<u>1,725</u>

All investments are unlisted.

#### *Investments in subsidiaries* *Company*

	<i>Total</i> £
Cost:	
At 1 January 2016	100,213,330
Additions	350,000
At 31 December 2016	<u>100,563,330</u>
Amounts provided:	
At 1 January 2016	(100,213,330)
During the period	(350,000)
At 31 December 2016	<u>100,563,330</u>
Net book value:	
At 1 January 2016	-
At 31 December 2016	<u>-</u>



## Notes to the financial statements

for the year ended 31 December 2016

### 7. Investments in unlisted companies and subsidiaries

#### Subsidiary undertakings currently held

Name	Class of shares	Proportion of shares held	Nature of business
Climate Change Holdings Limited	Ordinary/Pref.	100%	Management company
Climate Change Capital Limited	Ordinary	100%	Services
CCC Carbon Services <sup>(1)</sup>	Ordinary	100%	No longer actively trading
CCC Carbon General Partner II Limited <sup>(1)</sup>	Ordinary	100%	General partner of LP
Climate Change Capital International Limited <sup>(1)</sup>	Ordinary	100%	Holding company
Climate Change Capital Private Equity Limited	Ordinary	100%	No longer actively trading
Climate Change Capital Private Equity Co-Investment (GP) Limited	Ordinary	100%	No longer actively trading
Climate Change Capital Scotland Private Equity (GP) Limited	Ordinary	100%	No longer actively trading
Climate Change Advisory Limited	Ordinary	100%	No longer actively trading – closed post year end
Climate Change Finance Limited	Ordinary	100%	Holding company
CCP Carried Interest LP	Ordinary	50%	Carried interest vehicle
Climate Change Property Limited	Ordinary	100%	No longer actively trading
Climate Change Property (GP) Limited	Ordinary	100%	No longer actively trading
CCP Co-Invest (GP) Limited	Ordinary	100%	General partner of LP
CCP Carried Interest (GP) Limited	Ordinary	100%	General partner of LP
CCC Seed Capital (GP) Limited	Ordinary	100%	General partner of LP
Climate Change Capital (Hong Kong) Limited <sup>(2)</sup>	Ordinary	100%	No longer actively trading
PT GB Carbon Solutions Services Indonesia <sup>(3)</sup>	Ordinary	100%	No longer actively trading
Genpower Carbon Solution Services (Malaysia) Sdn Bhd <sup>(4)</sup>	Ordinary	100%	No longer actively trading

All investments other than Climate Change Holdings Limited are held by subsidiary companies.

<sup>(1)</sup> Incorporated in the Cayman Islands

<sup>(2)</sup> Incorporated in Hong Kong

<sup>(3)</sup> Incorporated in Indonesia

<sup>(4)</sup> Incorporated in Malaysia

## Notes to the financial statements

for the year ended 31 December 2016

### 8. Debtors: amounts falling due within one year

	2016	Group 2015	2016	Company 2015
	£	£	£	£
Recoverable taxes	13,558	-	-	-
Trade debtors	-	31,254	-	-
Other loans	43,949	42,467	-	-
Amounts due from related parties	52,551	313,503	-	-
	<u>110,058</u>	<u>387,224</u>	<u>-</u>	<u>-</u>

### 9. Creditors: amounts falling due within one year

Amounts falling due within one year:

	2016	Group 2015	2016	Company 2015
	£	£	£	£
Trade creditors	-	10,670	-	-
Accruals and deferred income	153,622	713,622	-	40
Other taxes and social security costs	-	35,028	-	-
Other creditors	3,116	47,338	-	1,004,718
	<u>156,738</u>	<u>806,658</u>	<u>-</u>	<u>1,004,758</u>

### 10. Obligations under operating leases

At 31 December 2016, the Company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings	
	2016	2015
	£	£
Operating leases which expire:		
Within one year	-	667,265
In two and five years:	-	778,476

Associated with the March 2015 scale back of the asset management business, during February 2016 the Company surrendered its lease agreement.

### 11. Share capital

	Allotted, called up and fully paid	2016	Allotted, called up and fully paid	2015
	No.	£	No.	£
Ordinary shares of 1p each	1,114,579,448	11,145,794	1,079,579,448	10,795,794

In February 2016, the Company raised additional capital by issuing 35,000,000 of ordinary shares for £350,000 to its immediate parent.

## **Notes to the financial statements**

for the year ended 31 December 2016

### **12. Related party transactions**

As at year end the Group had a receivable from Bunge group entities of £nil (2015: £308,446) in relation to office expenses paid by the Group.

The Company is the parent undertaking of the largest and smallest group for which UK group financial statements are prepared.

### **13. Ultimate parent undertaking and controlling party**

The Company is a wholly owned subsidiary of CCC International Holdings Limited, which in turn is a wholly owned subsidiary of the Bunge Limited group. The directors regard Bunge Limited as the Company's ultimate parent undertaking and controlling party at 31 December 2016.