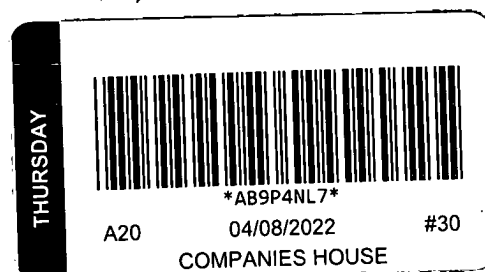


TRACKER GROUP LIMITED
(FORMERLY CARBON TRACKER INITIATIVE LIMITED)
(COMPANY LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Company Registration No. 08906960 (England and Wales)



TRACKER GROUP LIMITED

Statement of Financial Position as at 31 December 2021
Company No. 08906960

	Note	31 December 2021 £	31 December 2020 £
Non-current Assets			
Tangible Assets	4	26,574	18,624
Intangible Assets	5	<u>240</u>	<u>12,840</u>
		26,814	31,464
Current assets			
Debtors	6	509,987	190,876
Cash and cash equivalents		<u>4,349,661</u>	<u>2,877,360</u>
		4,859,648	3,068,236
Creditors: Amounts falling due within one year	7	<u>498,861</u>	<u>589,872</u>
Net current assets		<u>4,360,787</u>	<u>2,478,364</u>
Net assets		<u>4,387,601</u>	<u>2,509,828</u>
Funds			
Unrestricted funds		<u>4,387,601</u>	<u>2,509,828</u>
		<u>4,387,601</u>	<u>2,509,828</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 25 July 2022 by

Mark Campanale

Mark Campanale, Executive Director

Notes to the financial statements
For the year ended 31 December 2021

1 Basis of preparation

These financial statements are filleted accounts. The full accounts were prepared under the historical cost convention and in accordance with the Companies Act 2006, applicable Accounting Standards in the United Kingdom, Financial Reporting Standard 102 Section 1A, and voluntarily, the Statement of Recommended Practice - "Accounting and Reporting by Charities" (SORP) revised in 2015. Tracker Group meets the definition of a public benefit entity under FRS 102.

The Directors have a reasonable expectation that the company has adequate resources to continue its activities for the foreseeable future as reflected in the Report of the Directors. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Company status

Tracker Group Limited (formerly Carbon Tracker Initiative Limited) is a company limited by guarantee. The sole member of the company is Investor Watch Ltd. In the event of the company being wound up, the liability of the member is limited to £1.

Tracker Group Limited has a 100% owned subsidiary called Tracker Group Services Limited.

A U.S. affiliate called Carbon Tracker Initiative Inc was formed on 18th December 2017 with Tracker Group Limited as its sole member. The application for tax exempt status was submitted to the IRS in December 2017, and the letter of determination was received (confirming 501c3 status) in June 2018.

2 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding periods.

Fund Accounting

The company maintains two types of fund:

- | | |
|--------------|--|
| Restricted | where income is received from funders for the use on specific activities. Restricted income funds are to be spent or applied within a reasonable period from their receipt to further a specific purpose of the company. |
| Unrestricted | where funds can be spent for any charitable purpose of the company. Unrestricted funds are spent or applied at the discretion of the Directors to further any of the company's purposes. |

Transfers between funds have been made to transfer assets from unrestricted funds to finance a deficit on a restricted fund, and where restricted funds have been lawfully released and transferred to unrestricted funds.

Income

Income is recognised when Tracker Group is entitled to the income, where the amount can be measured with reasonable reliability and when receipt is probable.

Notes to the financial statements (continued)
For the year ended 31 December 2021

2 Accounting policies (continued)

Performance related grants are recognised in line with expenditure incurred being the best measure of performance. Expenditure in excess of cash received is included in the balance sheet as a debtor (as accrued income), with cash received in excess of expenditure being included as a creditor (as deferred income). Unrestricted grants and donations are recognised on receipt.

Other income represents income received from bespoke assignments and speaker fees which is recognised as earned.

Expenditure

All expenditure is accounted for on an accruals basis and is recognised where there is a legal or constructive obligation to pay.

Expenditure on charitable activities includes the direct cost of planning, staffing and operating the company's activities. It also includes support costs, which represent costs of providing the organisational services that support the charitable activities.

The majority of costs are directly attributable to specific charitable activities. The remaining costs relate to more than one activity and are apportioned to the three cost categories (fundraising, governance and programmes) in proportion to activity levels and their relative demands on central resources.

Governance costs include all costs of compliance with constitutional and statutory requirements, including legal, audit fees and a percentage of salaries of management.

Tangible fixed assets

Tangible fixed assets are stated at cost less any provision for depreciation. Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis as follows:

Asset Category	Annual rate
Computer Equipment	33%

Intangible fixed assets

Development costs of Websites are capitalised as an intangible fixed asset only where they lead to the creation of an enduring asset delivering tangible future benefits for the company. Expenditure incurred on maintaining websites is written off as incurred. Website costs are amortised over their estimated useful economic lives on a straight-line basis as follows:

Asset Category	Annual rate
Website & Software Development	33%

Cash and cash equivalents

Cash and bank balances represent actual balances at the balance sheet date.

Notes to the financial statements (continued)
For the year ended 31 December 2021

2 Accounting policies (continued)

Foreign Currencies

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

Taxation

Corporation tax is calculated on trading income using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3 Employees and Directors

The average number of persons employed by the company during the year was 29 (Year end 31 December 2020: 29).

4 Tangible fixed assets

	Computer Equipment
	£
Cost	
As at 1 January 2021	43,571
Additions	20,052
Disposals	(12,235)
As at 31 December 2021	<u>51,388</u>
Depreciation	
As at 1 January 2021	24,947
Charge for the period	11,649
Disposals	(11,782)
As at 31 December 2021	<u>24,814</u>
Net Book Value	
As at 1 January 2021	18,624
As at 31 December 2021	<u>26,574</u>

Notes to the financial statements (continued)
For the year ended 31 December 2021

5. Intangible Fixed Assets

	Website & Software Development
	£
Cost	
As at 1 January 2021	71,588
As at 31 December 2021	<u>71,588</u>
Depreciation	
As at 1 January 2021	58,748
Charge for the period	12,600
As at 31 December 2021	<u>71,348</u>
Net Book Value	
As at 1 January 2021	12,840
As at 31 December 2021	<u>240</u>

6. Debtors

	31 Dec 2021	31 Dec 2020
	£	£
Trade debtors	-	895
Intercompany debtor	7,389	7,389
Accrued income	363,182	82,493
Prepayments	139,416	100,099
	<u>509,987</u>	<u>190,876</u>

7 Creditors: amounts falling due within one year

	31 Dec 2021	31 Dec 2020
	£	£
Trade and other payables	127,055	49,115
Amounts owed to group undertakings (note 10)	10,577	169,004
Accruals	127,914	149,057
Deferred income	233,315	90,466
Other tax and social security	-	132,230
	<u>498,861</u>	<u>589,872</u>

Deferred income occurs when instalments on restricted grants are paid in advance.

Notes to the financial statements (continued)
For the year ended 31 December 2021

7 Creditors: amounts falling due within one year (continued)

Movement on deferred income during the year:

	31 Dec 2021	31 Dec 2020
	£	£
Balance brought forward	90,466	654,399
Released to income	(90,466)	(654,399)
Received in the year	233,315	90,466
Balance carried forward	<u>233,315</u>	<u>90,466</u>

8 Analysis of net assets by funds

	Fixed Assets	Current Assets	Current Liabilities	Net assets
		£	£	£
Restricted Funds	-	363,182	(363,182)	-
Unrestricted Funds	26,814	4,496,466	(135,679)	4,387,601

9 Tracker Group Services Limited and Carbon Tracker Initiative Inc

The fully owned subsidiary Tracker Group Services Limited for the year ended 31 December 2021 had a pre-tax profit of £4k (year ended 31 December 2020 pre-tax loss of £14k). The U.S. entity Carbon Tracker Initiative Inc for the year ended 31 December 2021 had a pre-tax profit of £2k (year ended 31 December 2020 pre-tax profit of £169k).

10 Ultimate parent undertaking

The ultimate parent undertaking is Investor Watch, a company limited by guarantee, registration no. 06888857, registered address 42-44 Bishopsgate, London, United Kingdom, EC2N 4AH.

11 Related party transactions

The amount owed to the group undertakings (note 7) is made up of a sub grant owed to Carbon Tracker Initiative Inc of £8k. The remainder is in relation to costs incurred by Investor Watch Ltd on behalf of Tracker Group Limited. The balance relates to a deposit on an office space totalling £2k.

12 Auditors Information

The auditor's report that was included in the annual accounts and reports delivered to the directors was unqualified and unmodified. The audit was carried out on the consolidated Tracker Group Limited accounts by Crowe U.K. LLP. The Tracker group comprises Tracker Group Limited, Tracker Group Services Limited and Carbon Tracker Initiative Inc.

The consolidated financial statements were prepared under the historical cost convention and in accordance with the Companies Act 2006, applicable Accounting Standards in the United Kingdom, Financial Reporting Standard 102 and voluntarily, the Statement of Recommended Practice - "Accounting and Reporting by Charities" (SORP) revised in 2015. The directors voluntarily adopted the requirements of this SORP as if the company were a charity as they consider that this is the most appropriate format to give a true and fair view of the company's activities. Tracker Group meets the definition of a public benefit entity under FRS 102.

The consolidated accounts were signed by Tim Redwood, Senior Statutory Auditor, on 1 August 2022.

Notes to the financial statements (continued)
For the year ended 31 December 2021

13 Post balance sheet event

Restructure of the Investor Watch group with transfer of the Planet Tracker Programme from Investor Watch to new named Tracker Group

With effect from 1 July 2022, Carbon Tracker Initiative Limited was renamed Tracker Group Limited and Investor Watch, Carbon Tracker's parent company, transferred its Planet Tracker Programme to the Tracker Group. From a day-to-day perspective, Carbon Tracker and Planet Tracker will continue to operate as distinctive brands and business units.

This transfer will enhance the organisation's capacity to deliver transformational change in the finance sector across the climate and nature agendas as efficiently and rapidly as possible, through:

- Enabling closer collaboration and cooperation between different parts of the Group in pursuit of our vision and mission
- Rationalising the existing Group governance structure to enable clearer strategic alignment
- Creating efficiencies where possible and in line with our commitments to funders

For historical reasons, Carbon Tracker and Planet Tracker have had separate Boards and have operated as entirely independent entities, with different relationships to the overall Investor Watch parent. The Boards are now coming together to create a simple and more focused governance structure that will provide opportunities to explore and exploit synergies between the climate-focused research undertaken by Carbon Tracker and the nature-based research undertaken by Planet Tracker. As these two agendas increasingly converge, the Tracker Group will be in a better position to lead on these intersecting areas.

The new structure will also enable the two organisations to work strategically on new initiatives. Research includes topics across the fossil fuels, renewables, heavy industry, materials and food and agriculture sectors. The combined Tracker Group will provide greater opportunities to understand and explore how these sectors and themes inter-relate. The organisation will be seeking funding to research, report and engage with investors on the inter-dependencies.

There are no planned changes to how the funding received to date will be used. With regards to the existing grant agreements and planned activities, there are no changes in relation to key personnel, project timing or goals. Also, this will not affect the organisation's tax status. Any unrestricted elements (e.g., overhead) in the existing grants, and any future grant disbursements, will be designated towards Carbon Tracker costs and activities.

Planet Tracker Grant Agreements will be novated over to the name of the Tracker Group. All existing funding will be designated to the originally agreed organisation/programme (Carbon Tracker or Planet Tracker), now autonomous programmes within the same legal entity, and will be accounted for in the same way as before. Unrestricted funding previously agreed with a single Tracker will remain designated to that Tracker. Future unrestricted (core) funding will remain with the Tracker.

The income and expenditure related to Planet Tracker for the year ended 31 December 2021 as recorded in the audited financial statements of Investor Watch was £2.7m and £2.6m respectively. The approximate fair value of assets transferred on 1 July 2022 was £1.9 million.