

**Company Registration No. 05013650**  
**Charity Registration No. 1122330**

**CDP Worldwide**  
**(A company limited by guarantee)**

**Annual report and consolidated financial statements**

**For the year ended 31 March 2022**

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**CDP Worldwide**  
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**Administrative details of the charity, its Trustees and advisors**

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<b>Board of Trustees</b>	Katherine Garrett-Cox Amy Metcalfe Annise Parker Christine Loh David Wolfson Jane Ambachtsheer Jeremy Burke Michael Hugman Ramakrishnan Mukundan Stephen Chow	Chair
<b>Company Number</b>	05013650	
<b>Charity Number</b>	1122330	
<b>Principal Office</b>	CDP Worldwide 4th Floor 60 Great Tower Street London EC3R 5AZ	
<b>Executive Leadership Team</b>	Paul Dickinson Paul Simpson  Jamie Neil  Donald Chan Lori Llewellyn Maxfield Weiss Mercedes Tallo Nicolette Bartlett Rene Gravenberch Ben Freeman	Founder Chair Chief Executive Officer (resigned 30 June 2022) Interim Chief Executive Officer (appointed 25 July 2022) Managing Director Asia Pacific Region Managing Director North America Managing Director Europe Chief Stakeholder Officer Chief Impact Officer Chief Information Officer Interim Chief Financial Officer (appointed 9 March 2022)
<b>Auditor</b>	Menzies LLP Centrum House 36 Station Road Egham Surrey TW20 9LF	
<b>Bankers</b>	HSBC Bank plc 25 Islington High Street London N1 9LJ	

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**Trustees' report (incorporating strategic report)**  
**for the year ended 31 March 2022**

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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 2022. The Trustees' Report is also the Directors Report as required by S.415 of the Companies Act 2006. The Trustees' Report incorporates the "Strategic Report" 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, "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)" - "SORP 2019", and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

**Overview of CDP**

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

We are headquartered in London and have further operations in Latin America, China, India, Hong Kong, Singapore and Japan, and operate through local partners in Colombia, Indonesia, South Korea and Turkey. In Latin America, we are based in Brazil and also have employees in Colombia, providing support to all countries in Latin America. North America is served through a legally separate independent 501c3 entity based in New York (CDP North America, Inc) and Europe through a legally separate charity based in Brussels (CDP Europe AISBL).

Our expenditure on charitable activities in the year was £22.1m (20/21: £17.6m) which was funded by a combination of philanthropic and government grants, fee for service income, licence and service fees received from CDP North America and brand administrative and service fees received from CDP Europe.

**Objectives and activities**

The charitable objectives of CDP Worldwide are to conduct research and make those useful results available for the public benefit. The key strategic aims of CDP include:

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

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**STRATEGIC REPORT**

**Activities, achievements and performance**

CDP has continued its strong progress since the pandemic, with significant growth in our CDP workforce in order to support the overall increased ambition and record numbers of disclosers. The 2021 disclosure cycle saw over unique 14,000 companies, cities, states and regions disclosing through CDP.

CDP had a significant presence at COP26 in November 2021, with our employees taking part both physically in Glasgow and virtually. CDP featured in 27 COP26 events, (co)organizing a total of 13 events in a hybrid manner and 8 virtual COP26 events. CDP representatives spoke at an additional 16 events organized by partners. Our delegates held bilateral meetings with governments, UN agencies, corporates, and donor organizations, including the UK Government, UNFCCC, IKEA and CIFF. Significant progress was made on CDP's desired outcomes for COP26, with almost 50% fully achieved (47%) and just over 50% partially achieved (53%). The global policy team led CDP's strategy for COP27 in November 2022, as well as COP15 in Montreal in December 2022. As per the preparatory process, the team has successfully secured the inclusion of corporate disclosure in the current draft of the Global Biodiversity Framework and will work to keep it in for the next negotiations rounds.

CDP backed calls to make biodiversity-related disclosure mandatory for businesses under Target 15 at COP15 in December. While the word 'mandatory' does not appear in the final text, the agreement commits governments to encourage and enable disclosure and to ensure all large businesses are disclosing from 2030.

**Expanding into more planetary systems**

CDP continues to expand its scope beyond climate, water and forests to cover the full range of planetary boundaries and earth systems. In 2022 a consultation began on how best to incorporate questions on plastics into the CDP disclosure system with the intention of including them in the 2023 disclosure cycle.

This reflects CDP's 2021-2025 strategy ***Accelerating the rate of change*** and CDP looks forward to embracing more planetary systems in the near future as we expand into ocean, land use, biodiversity, food production and waste.

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

**Disclosure results**

- **Climate:** 13,100 companies responded to our 2021 disclosure cycle, an increase of 37% on the previous year. Of these, 272 made our prestigious 'A List', a slight fall in A-list numbers reflecting a slightly strengthened methodology for inclusion.
- **Water:** 3,368 companies disclosed on water security in 2021, a 14% year-on-year increase. A new report, entitled 'High and Dry', detailed for the first time how water issues are directly leading to stranded assets across key parts of the global economy.

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The research found that \$13.5 billion was already stranded, and one-third of listed financial institutions were not assessing their exposure to water issues. The report received over 50 pieces of global media coverage. The team also launched a first-of-its-kind tool, called Water Watch, which ranks over 200 industrial activities according to their potential impact on water resources.

- **Forests:** A total of 864 companies reported to CDP on deforestation-related KPIs in 2021, a growth of over 25% in disclosure levels. Using this data, CDP in collaboration with the AFi (Accountability Framework initiative) authored a joint report to provide companies with a pathway to further decouple commodity sourcing/production from deforestation.

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

**Corporations and supply chains**

In February 2022, CDP published its 2021 global supply chain report in collaboration with Boston Consulting Group (BCG). The report revealed that only 38%, 47% and 16% of reporting companies are engaging with their suppliers on climate change, deforestation and water security, respectively.

It found that 71% of companies reported their Scope 1 and 2 emissions, while only 20% reported on emissions associated with goods and services they purchase (Scope 3 (Category 1)). The report urged companies to act now to achieve the speed and scale required to avert environmental crisis, particularly as there is a 10-year lag when it comes to setting climate targets. Two years into the Decade of Action, only 2.5% of suppliers have approved science-based targets, and more than half (56%) of the suppliers did not have any climate targets in 2021. What's more, only 28% of suppliers reported having a low-carbon transition plan in place to meet their climate goals.

To help kickstart the crucial – and urgent – process to build climate change into business-as-usual, CDP developed the 'Sustainable Procurement Pathway' in collaboration with BCG - a scalable framework that supports companies to get started, and announced a partnership with BCG to develop a product lifecycle platform, the CO2 AI Product Ecosystem, that enables companies to effectively collaborate and share their product-level sustainability data.

**Cities, states and regions**

Our work with cities, states and regions continues apace. Over half of the global population (55%) lives in cities – a figure the UN expects to grow to 70% by 2050 – and urban areas also contribute around 70% of global emissions, putting them on the front line of the climate crisis. Ramping up their climate action in this vital decade is indispensable if the world is to keep warming to below 1.5°C and ensure citizens and economies are protected now and in the future.

Marking the opening of this year's reporting platform – the twelfth such occasion since we started cities reporting in 2011 – we launched a new, streamlined questionnaire for cities, and for states and regions. The name of the cities' reporting platform also changed, to CDP-ICLEI Track, to better reflect the purpose and values of the platform.

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The new cities and states and regions questionnaires raise the bar on progressing climate action and simplify the process for disclosing environmental data. They refine the data collection process to focus on key criteria for climate action – and specifically what tangible action is being taken by cities, states and regions – on mitigation and adaptation. They also track progress in areas such as science-based targets and investment, and commitments made to the UN-backed Race to Zero and Race to Resilience campaigns. The enhanced data collected should enable cities, states and regions to attract investment and better manage their own risks.

Comments on the new questionnaires from Nigel Topping, UN High-Level Climate Action Champion; Bloomberg Philanthropies; ICLEI; the Mayor of Recife in Brazil; the Governor of Cross River State in Nigeria; Climate Group; Regions4 Sustainable Development and Breckinridge Capital Advisors, were featured in leading global cities media publications, including Smart Cities World and Cities Today.

In November 2021 we unveiled that there is now a new generation of 95 cities that qualify for our cities A-list spanning every continent, and encouragingly almost half (48%) of CDP's A List cities are new additions in 2021.

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

**Capital Markets**

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

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

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

In March 2022 CDP coordinated the annual disclosure request. This year the Boards of nearly 10,400 companies worldwide - worth US\$105 trillion in market capitalization – were requested to disclose data on their environmental impact by more than 680 financial institutions worth over US\$130 trillion in assets, including Allianz, Amundi, BNP Paribas, CalPERS and Vanguard. 5,300 companies responded to the annual disclosure request.

Almost 100 more financial institutions – including asset managers, asset owners, banks and insurance companies - put their name to the disclosure request this year compared to last, demonstrating rising demand for TCFD-aligned corporate environmental information.

June 2022 saw the launch of the latest CDP Non-Disclosure Campaign, which mobilises financial institutions to engage directly with high-impact companies that repeatedly fail to disclose through CDP. This year's campaign saw record levels of participation with a 57% annual increase in the number of financial institutions requesting corporate environmental disclosure through CDP. Tesla,

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Exxon Mobil, Saudi Aramco and Toyota Motor Corporation were among 1,473 companies from 50 countries targeted as part of the campaign.

The 2022 Non-Disclosure Campaign saw a significant uplift in the number of companies engaged on their water and forests related impact, demonstrating an increasing awareness of the interrelatedness of the climate and nature crisis and a growing call from the capital markets for corporate transparency on water and forest related issues.

The 2021 Non-Disclosure Campaign resulted in the highest response rate to date, with nearly 60% more companies disclosing, after being targeted, compared to 2020. It also showed that companies are more than twice as likely to disclose through CDP when they are directly engaged by investors to do so.

The capital markets team also continues to be actively involved in a range of external initiatives including the work of the Investor Agenda - a collaborative initiative to provide investors with a consistent agenda for action on the four areas of investment, corporate engagement, investor disclosure and policy advocacy - and the Net Zero Asset Managers initiative, which aims to galvanize the asset management industry to commit to a goal of net zero emissions.

**Shaping the global policy landscape**

There have been significant advances in the implementation of mandatory environmental disclosure and disclosure standards since April 2021, which will drive transparency and accountability globally. A landmark moment came in March 2022, when the US Securities and Exchange Commission released its proposed climate disclosure rule for US-registered and foreign private issuer companies. The influence of CDP and impact of our policy work was evident in the proposed rule: CDP is cited dozens of times throughout.

CDP's policy team continues to support the development of the EU's corporate sustainability reporting directive (CSRD) and the upcoming European Sustainability Reporting Standards (ESRS) through involvement in EU technical advisory groups, the secretariat overseeing the development of standards, and through regular consultations. The policy team is also supporting the development of the standards in development by the IFRS Foundation's International Sustainability Standards Board (ISSB). The global policy team led the process for CDP of CDSB's consolidation into the ISSB and negotiated a Letter of Intent with the IFRS Foundation to collaborate on the implementation of the ISSB standards.

CDP positioned itself as a key organization to facilitate the engagement of non-party stakeholders to the Global Stocktake. At the Bonn Intersessionals in June 2022, CDP launched a policy brief and ran an official side-event, promoting the inclusion of non-state actors in an inclusive Global Stocktake process. The CDP policy recommendations were featured within the official Global Stocktake Technical Dialogues.

CDP's government partnerships programme has expanded since April 2021. We have recently secured new MoU's with the Monetary Authority of Singapore, the Indonesia Stock Exchange and Thai Securities and Exchange Commission which will serve to boost disclosure and shape ambitious policies in Southeast Asia.

The team has also completed the creation of a Government Dashboard to facilitate the use of CDP data and insights for evidence-based policy. The launch took place as expected in quarter 4 2022.

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**Other initiatives**

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

- Unprecedented growth for the Science Based Targets initiative (SBTi), which has more than 2,000 companies committed to science-based targets (SBTs). SBTi announced a new strategy in July 2021 that aims to get 5,000 companies committed by 2025 and which makes a 1.5°C target the central ambition in its target-setting framework.
- We continue to work with ISS ESG on Climetrics, a rating of climate impact for investment funds as featured in the Financial Times. The initiative, alongside CDP Temperature Ratings, helps increase demand for sustainable finance options.
- Working with consultancy Oliver Wyman, our CDP Europe report in the last two years has been covered in Bloomberg, Les Echos and Reuters. In March 2022 the report coincided with the CDP Europe Awards 2022, produced in partnership with Euronews TV. The livestreamed event included interviews with EU politicians, corporate CEOs, finance leaders and mayors on how their environmental ambitions are paired with concrete, science-based plans for action.
- The We Mean Business Coalition, of which CDP is a founding partner, continued to grow its impact by scaling corporate commitments and action towards a net-zero economy and strengthening the dialogue between business and policy makers.
- CDP produced a report that analysed climate transition plan disclosure in 2021 which revealed that although 4,001 companies disclosed that they had developed a 'low carbon transition plan' only 135 organizations disclosed against the relevant indicators that make up a credible climate transition plan. CDP also produced multiple guidance documents on how to develop and disclose a credible climate transition plan, with the intention of assisting companies on their journey to developing a climate transition plan.
- CDP launched its first Climate Transition-focused investor and corporate campaign during the 2021–2022 disclosure cycle. The Transition Champions Campaign aims to leverage CDP's Investor Signatory' and Supply Chain Member purchasing power to scale up response data for specific, relevant transition metrics to expand the net-zero benchmarking system and prevalence of credible climate transition plans. The ambition is that the organizations targeted by the campaign participants improve their disclosure to transition relevant metrics. CDP will run this campaign for the 2022-23 disclosure cycle with the ambition of increasing participants and target company coverage.

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

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

**Recruitment and training of Trustees**

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

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

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

**Trustees**

David Lubin was appointed as a Trustee on 15 December 2021. Martin Wise resigned as a Trustee on 16 June 2021. Since the year end, David Lubin resigned as a Trustee on 16 May 2022 and Rachel Kyte resigned as a Trustee on 15 December 2022. We thank them for their contribution to CDP.

**Executive Leadership Team**

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

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

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On 30 June 2022, CDP's co-founder Paul Simpson stepped down from his role as CEO after 21 years. Paul had been CEO for 12 years and under his leadership, the organization has significantly expanded its employee numbers and geographical footprint, successfully embedded corporate disclosure on climate and environment into multiple mainstream business sectors and, has played a pivotal role in driving action to fight climate change around the world. He was instrumental in the creation of the Science Based Targets Initiative, We Mean Business Coalition and The Investor Agenda, all of which have contributed to the acceleration of private sector action on climate. We would like to thank Paul for his leadership and commitment to CDP for over 21 years.

CDP Worldwide has since appointed Jamie Neil as interim CEO who joined on 25 July 2022 and has been working closely with colleagues, the Executive Leadership Team and the Board of Trustees to develop and progress the strategy and future of CDP. In addition, Ben Freeman joined CDP as Interim Chief Finance Officer on 9 March 2022, strengthening the focus on robust financial controls and management and also sits on the Executive Leadership team.

**Group structure**

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

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

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

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**FINANCIAL REVIEW**

**Where our income comes from**

Our income in the 21/22 year came from four main sources:

- Philanthropic and government grants - £16.4m (20/21: £14.1m)
- Service-based activities principally supply chain, reporter services, corporate partnerships and sponsorships - £4.5m (20/21: £4.0m)
- Other corporate-sourced income, including investor memberships, data sales and company responder and investor administrative fees - £2.9m (20/21: £1.9m)
- The LSF and SFA fees received from CDP North America and CDP Europe - £6.8m (20/21: £3.7m)

Our total income rose from £23.7m to £30.6m, resulting from the continued growth of the philanthropic and government grants including £3.4m of funding for the Next Generation Disclosure programme. There was also an increase of £3.1m in LSF and SFA fees received from CDP North America and CDP Europe due to continued strong performance in those regions.

**Where the money is spent**

*Charitable expenditure*

Our charitable expenditure is analysed as follows:

	2022 £m	2021 £m
Climate change, forests and water security.	14.0	10.9
Institutional investor engagement	2.3	1.5
Disclosure and action by Cities, states and regions	2.4	2.6
New Disclosure Platform implementation and integration	3.4	2.6
<b>Total</b>	<b>22.1</b>	<b>17.6</b>

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

*Analysis by nature of expense*

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

	2022 £m	2021 £m
Staff costs	19.8	16.3
Other direct costs	4.5	2.6
Support costs	3.7	3.1
Interest expenditure	0.1	0.1
<b>Total</b>	<b>28.1</b>	<b>22.1</b>

*Staff costs* have increased reflecting an increase in employee numbers as CDP continues to grow, offset by the average cost per directly employed member of our workforce (including employer social security and pension costs) decreasing slightly from £50,000 to £49,000.

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*Direct costs* are those external costs associated with both the CDP Disclosure Platform and delivering external grants. They include third party technical support, report costs and communications, travel and the costs of running workshops or other events required under grant agreements. They have increased year on year by £1.9m to £4.5m due to the continued growth of CDP.

*Support costs*, which include premises, telecoms and IT costs, increased by £0.6m to £3.7m and represented 13.2% (20/21: 13.8%) of total expenditure, reflecting a continued focus on controlling expenditure.

**Financial position**

As at 31 March 2022, the group held cash reserves of £4.5m (2021: £2.8m) due to an increase in activity in the period. Trade debtors have increased from £3.4m to £4.9m, which is being actively managed in 2022/23 through investment in credit control. Trade creditors increased by £1.1m to £2.4m at 31 March 2022, reflecting timing and value of year end invoices and has since reduced in 2022/23.

**Unrestricted, restricted and total funds**

The movement in unrestricted funds is a key indicator of the sustainable financial performance of CDP. The net increase in unrestricted funds in the 21/22 year was £2.5m bringing total unrestricted funds at 31 March 2022 to be (£0.3m) in deficit.

To provide continued liquidity to CDP Worldwide, on 31 March 2022 CDP North America agreed an extension to the promissory note of \$1.7m to 31 March 2023.

At 31 March 2022 total restricted funds were £4.4m, of which £1.2m related to the Bloomberg Cities grant, and £0.8m related to the New Venture Fund (We Mean Business coalition) grant, with the remaining £2.4m covering grants including ClIFF, the Norwegian Agency for Development Co-operation and AKO Foundation.

At 31 March 2022 total funds were £4.1m (31 March 2021: £1.6m).

**Plans for future periods**

CDP continues to focus on its objectives and maintaining the strong progress and growth, supporting it with expansion of our organization's workforce and maximising the operating model. CDP remains focused on building and maintaining a strong financial position to deliver against its objectives and strategy going forward.

**Reserves policy**

The Trustees have agreed a reserves policy which aims to hold a minimum level of total funds equivalent to two months' direct charitable expenditure, in order to ensure that any delay or reduction in income does not affect the ability of the charity to meet its obligations.

At 31 March 2022 total reserves were £4.1m (2021: £1.6m). At 31 March 2022 unrestricted reserves were a deficit of (£0.3m) (2021: (£2.8m)) and hence represented (0.2) months of direct charitable expenditure (31 March 2021: (6.3) months). Actions continue to be taken to address this position and the Trustees remain focused on rebuilding reserves.

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**Going concern**

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

- The shared mission of the CDP Worldwide Group, CDP North America and CDP Europe which has ever-increasing relevance and funding.
- The strong financial performance of CDP North America and CDP Europe and the associated growth in the amounts contributed to CDP Worldwide Group via SFA and LSF agreements.
- The improved financial performance of CDP Worldwide in the year ended 31 March 2022 and in the year to date for the year ended 31 March 2023.
- Detailed operational budget and cash flow projections for CDP Worldwide Group.
- The continuation of loan funding from CDP North America.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Board of Trustees has overall responsibility for the system of internal budget and risk control for CDP Worldwide and its subsidiaries. This includes ensuring that there are reasonable procedures in place for the identification and management of major inherent and operational risks, including fraud and other irregularities.

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

The CDP Worldwide risk management framework is designed to measure the likelihood and impact of potential risks and then decide on an appropriate course of action. We recognise that some risks can be only be mitigated rather than entirely eliminated. We further acknowledge that in order to take advantage of the opportunities available to us, well managed risk-taking is essential. We fully understand and appreciate our responsibility to provide reasonable (not absolute) assurance against material errors or loss.

CDP uses the risk management framework to govern the identification and management of risks arising from the existing operations and strategic developments. Risks are assessed by projects, departments and major workstreams. This work informs consideration of the organization-level strategic and operational risks by a Risk Assurance Committee, the Executive Leadership Team and the Finance, Audit and Risk Committee. Controls are in place, or are being developed or enhanced, to manage the risks. In response to the growth of CDP around the world, we continue the process of reviewing our operating model with the aim of creating a more effective organization with the consequent benefits on managing business risks. This will also include the embedding of risk assessment at project plan and departmental strategy level.

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

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**Major risks**

***Legal and Regulatory***

- Failure by a company within the CDP global system to comply with local laws or internal policies.

Management of this risk:

- Mapping of adherence to relevant controls and programme of resolution of any gaps.

***Reputation***

- Reputational damage from association with a funder, partner, or company we score.

Management of this risk:

- Use of ethics and risk guidelines for different sectors to evaluate opportunities.
- CDP ethical code, employee handbooks.

***People***

- Failure to attract and retain high calibre staff.
- Loss of key person.

Management of this risk:

- People strategy and planning including focus on personal development opportunities.
- Benchmarking of salaries and benefits.
- Regular employee engagement surveys and action to address points raised.

***Planning and Strategy***

- Stakeholders no longer see CDP as relevant/valuable.
- Poor operational planning and implementation.
- Risk of onerous or inappropriate regulation being applied, or of not being ready to comply with regulation.

Management of this risk:

- Ongoing review of quality of services, content of disclosure questionnaires, and stakeholder requirements.
- 2025 strategy to expand to add new authorities (banks, private equity) and themes (land, biodiversity, oceans).
- Use of Key Performance Indicators, quality assurance and budget management.
- Engagement with major regulators.

***Information Security and Data Protection***

- Significant non-compliance with data privacy laws.
- Data breach resulting in loss or sharing of confidential information with unauthorised stakeholders or the public domain.
- Failure to deliver data-related contractual obligations and failure to meet customer service expectations/ commitments.

**CDP Worldwide**  
**(A company limited by guarantee)**

**Trustees' report (incorporating strategic report)**  
**for the year ended 31 March 2022**

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**Management of this risk:**

- Identification of requirements under data legislation in all relevant territories with appropriate legal and system protections put in place.
- Training for all employees and rigorous processes for checks and incident management.
- Follow-up to recommendations from near-misses and any incidents.
- Systems perimeter security programme to be completed in Q1 2023 including enhanced control of all devices. Continued implementation of Role-Based Access Controls.
- Working with lawyers in Beijing to comply with new Chinese data security and data privacy laws.
- New systems to be introduced as part of the Transformation Programme that will eliminate many manual processes around data management.

**Financial risk**

- Financial dependence on a small number of key funders.
- Internal financial systems lack sophistication needed to inform decision-making.
- Sharing of financial resources across the CDP Global System.

**Management of this risk:**

- Mixed-funding model with diversified income streams.
- Finance enhancement programme to address systems and processes.
- Regular monitoring of income, costs and cash against budgets which are set annually for programmes and functions.
- Establishment of new financial arrangements across the CDP Global System.

**Systems and IT**

- Failure of critical IT systems.
- Ransomware or other cyber-attack.

**Management of this risk:**

- Significant investment in systems including stability, performance, and security.
- Regular training and testing of employee awareness, protection software.

**Other**

- Corporate governance gaps.

**Management of this risk:**

- The embedding of new governance bodies, review of Scheme of Delegation, Terms of Reference of governance bodies, and risk and governance assurance activity.



**CDP Worldwide**  
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**Trustees' report (incorporating strategic report)**  
**for the year ended 31 March 2022**

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**Employees**

The Group employed an average of 388 people in 2022 (2021: 287). CDP Worldwide Group seeks to ensure that employees are provided with information on matters of concern to them and that employees are consulted on a regular basis through use of internal communications and HR policies. Employees are encouraged to be involved in the charitable group's performance through shared ownership and engagement with the objectives of CDP.

CDP is committed to eliminating discrimination and encouraging diversity amongst our workforce. Our recruitment methods ensure that this commitment can be maintained and our aim is that our workforce will be truly representative of all sections of society and each employee feels respected and able to give of their best. To that end, we do not promote or discriminate against any person, population group, or organization and these include, but are not limited to race, color, religion, sex, gender expression, physical appearance, language, education background, national origin, age, disability and veteran status.

We oppose all forms of unlawful and unfair discrimination. All employees, whether part-time, full-time or temporary, will be treated fairly and with respect. Selection for employment, promotion, training or any other benefit will be based on aptitude and ability. All employees will be helped and encouraged to develop their full potential and the talents and resources of the workforce will be fully utilized to maximize the efficiency of the organization.

Our commitment is that every employee is entitled to a working environment that promotes dignity and respect to all. No form of intimidation, bullying or harassment will be tolerated. Training, development and progression opportunities are available to all staff and equality in the workplace is good management practice and makes sound business sense. We will review all our employment practices and procedures to ensure fairness and breaches of our equality policy will be regarded as misconduct and could lead to disciplinary proceedings. CDP seeks to support organizations that are substantially in alignment with our non-discrimination policy. Organizations that are found to discriminate in their provision of services and/ or their hiring practices based on any of these, or other criteria will not be contracted to supply goods or services to CDP.

**Public benefit statement**

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 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.

**CDP Worldwide**  
**(A company limited by guarantee)**

**Trustees' report (incorporating strategic report)**  
**for the year ended 31 March 2022**

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**Trustees' responsibilities**

The Trustees (who are also the directors of CDP Worldwide for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed; 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure to auditors**


In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the 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 26 January 2023 and signed on its behalf by

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**Katherine Garrett-Cox** 26/1/2023

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**Jeremy Burke** 26/1/2023

**CDP Worldwide**  
**(A company limited by guarantee)**

**Independent auditor's report to the Members of CDP Worldwide**  
**for the year ended 31 March 2022**

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**OPINION**

We have audited the financial statements of CDP Worldwide (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, Balance Sheets, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022, and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**CDP Worldwide  
(A company limited by guarantee)**

**Independent auditor's report to the Members of CDP Worldwide (continued)  
for the year ended 31 March 2022**

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**OTHER INFORMATION**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**CDP Worldwide**  
**(A company limited by guarantee)**

**Independent auditor's report to the Members of CDP Worldwide (continued)**  
**for the year ended 31 March 2022**

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**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including the Companies Act 2006, Charities Act 2011, GDPR and the UK Code of Fundraising Practice. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- We understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management, those responsible for legal and compliance procedures and the company secretary. We corroborated our inquiries through our review of board minutes.
- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur. As a result of the above procedures, we considered that the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the posting of fraudulent journal entries, fictitious employees and timing of revenue recognition.

**CDP Worldwide**  
**(A company limited by guarantee)**

**Independent auditor's report to the Members of CDP Worldwide (continued)**  
**for the year ended 31 March 2022**

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- Audit procedures performed by the engagement team and component auditors included:
  - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
  - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
  - Challenging assumptions and judgments made by management in its significant accounting estimates;
  - Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
  - Carrying out checks to establish the validity of employees, and
  - Reviewing and verifying the basis on which income is recognised in the accounts

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

**USE OF OUR REPORT**

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

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Janice Matthews FCA, Senior Statutory Auditor  
For and on behalf of Menzies LLP, Statutory Auditor  
Chartered Accountants  
Statutory Auditor  
Centrum House  
36 Station Road  
Egham  
Surrey  
TW20 9LF  
Dated: 30-Jan-2023

**CDP Worldwide**  
**(A company limited by guarantee)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	Note	£m Unrestricted funds	£m Restricted funds	£m Year Ended 31 March 2022	£m Year Ended 31 March 2021
<b>Incoming resources</b>					
Income from charitable activities	2	6.1	13.2	19.3	16.0
Income from service-based activities	2/4	4.5	-	4.5	4.0
Other income	2	6.8	-	6.8	3.7
<b>Total incoming resources</b>		<b>17.4</b>	<b>13.2</b>	<b>30.6</b>	<b>23.7</b>
<b>Resources expended</b>					
<b>Expenditure on raising funds</b>					
Dedicated fundraising expenditure	3	1.4	-	1.4	0.8
Expenditure on service-based activities	4	4.5	-	4.5	3.6
		<b>5.9</b>	<b>-</b>	<b>5.9</b>	<b>4.4</b>
<b>Expenditure on charitable activities</b>					
Expenditure on programmes	5	8.9	13.2	22.1	17.6
<b>Other expenditure</b>					
Interest expenditure		0.1	-	0.1	0.1
<b>Total resources expended</b>		<b>14.9</b>	<b>13.2</b>	<b>28.1</b>	<b>22.1</b>
<b>Net incoming resources before other recognised gains and losses</b>		<b>2.5</b>	<b>-</b>	<b>2.5</b>	<b>1.6</b>
Translation exchange differences		-	-	-	-
<b>Net movement in funds</b>		<b>2.5</b>	<b>-</b>	<b>2.5</b>	<b>1.6</b>
<b>Total funds brought forward</b>		<b>(2.8)</b>	<b>4.4</b>	<b>1.6</b>	<b>-</b>
<b>Total funds carried forward</b>		<b>(0.3)</b>	<b>4.4</b>	<b>4.1</b>	<b>1.6</b>

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

**CDP Worldwide**  
(A company limited by guarantee)

**CONSOLIDATED AND CHARITY BALANCE SHEET**  
**AS AT 31 MARCH 2022**

		The Group		The Charity	
	Note	£m 2022	£m 2021	£m 2022	£m 2021
<b>Fixed assets</b>					
Intangible assets	9	0.1	0.4	0.1	0.4
Tangible assets	10	0.5	0.6	0.5	0.6
Investments	11	-	-	-	-
		<u>0.6</u>	<u>1.0</u>	<u>0.6</u>	<u>1.0</u>
<b>Current assets</b>					
Debtors	12	13.7	7.7	6.8	4.8
Cash at bank and in hand		4.5	2.8	2.5	2.0
		<u>18.2</u>	<u>10.5</u>	<u>9.3</u>	<u>6.8</u>
Creditors: amounts falling due within one year	13	(14.6)	(9.8)	(10.5)	(7.2)
<b>Net current assets/(liabilities)</b>		<u>3.6</u>	<u>0.7</u>	<u>(1.2)</u>	<u>(0.4)</u>
<b>Total assets less current liabilities</b>		<u>4.2</u>	<u>1.7</u>	<u>(0.6)</u>	<u>0.6</u>
Provisions for liabilities	13	(0.1)	(0.1)	(0.1)	(0.1)
<b>Net assets/(liabilities)</b>		<u>4.1</u>	<u>1.6</u>	<u>(0.7)</u>	<u>0.5</u>
<b>Funds</b>					
Restricted income funds	15/16	4.4	4.4	4.1	4.2
Unrestricted funds	15	(0.3)	(2.8)	(4.8)	(3.7)
<b>Total funds/(deficit)</b>		<u>4.1</u>	<u>1.6</u>	<u>(0.7)</u>	<u>0.5</u>

The financial statements were approved by the Board of Trustees (which is also the Board of Directors) on 26 January 2023 and signed on its behalf by:

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Katherine Garrett-Cox  
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Katherine Garrett-Cox

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Jeremy Burke  
26/1/2023  
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Jeremy Burke

Company Registration No. 05013650



**CDP Worldwide**  
**(A company limited by guarantee)**

**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	<b>Note</b>	<b>£m 2022</b>	<b>£m 2021</b>
<b>Cash flows from operating activities</b>	21	1.9	(0.6)
<b>Cash flows from investing activities</b>			
Purchase of tangible & intangible fixed assets		(0.1)	(0.4)
<b>Cash flows from financing activities</b>			
New loans		-	1.9
Loan repayments		(0.1)	(0.1)
<b>Increase in cash in the year</b>		<u>1.7</u>	<u>0.8</u>
Net cash balances brought forward		2.8	2.0
<b>Net cash balances carried forward</b>	22	<u><u>4.5</u></u>	<u><u>2.8</u></u>

**CDP Worldwide**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**1 Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements are prepared on a going concern basis, under the historical cost convention. The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" effective 1 January 2019, and applicable UK law. The financial statements have also been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The members of the charity are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of guarantee is limited to £1 per member of the charity.

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

The company registration number is 05013650. The charity registration number is 1122330.

*Going Concern*

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

**1.2 Basis of consolidation**

The group financial statements consolidate the financial statements of CDP Worldwide and its subsidiaries for the year ended 31 March 2022. The Statement of Financial Activities (SOFA) and the Balance Sheet consolidate the financial statements on a line by line basis where appropriate. No separate SOFA is presented for the charity itself as permitted by section 408 of the Companies Act 2006. In order to comply with the Charities SORP the gross income and net incoming resources for the charity for the year are disclosed in note 20.

**1.3 Statement of Cash Flows**

CDP Worldwide has taken advantage of the disclosure exemption from the requirement to present a Statement of Cash Flows in respect of its individual financial statements, as it meets the definition of a qualifying entity under FRS 102.

**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 a straight line basis over the lease term.

**1.5 Tangible fixed assets and depreciation**

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

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

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

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Notes to the financial statements  
FOR THE YEAR ENDED 31 MARCH 2022

## 1.6 Intangible fixed assets and amortisation

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

## 1.7 Incoming resources

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

## 1.8 Resources expended

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

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

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

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

## 1.9 Pensions

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

## 1.10 Foreign currency translation

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

## 1.11 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.

**CDP Worldwide**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**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 Financial Instruments**

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

Financial assets include trade and other debtors, amounts due from group undertakings and CDP Global System companies and accrued income. Financial assets are initially recognised at the transaction amount receivable and subsequently measured at their recoverable amount, net of any provision. Financial assets also include cash which is measured at face value. The accounting policy for fixed asset investments held by the charity is detailed in note 1.14.

Financial liabilities include trade and other creditors, amounts due to group undertakings and CDP Global System companies and accruals. Financial liabilities are measured at amortised cost as detailed in notes 13a and 13b. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.14 Investments**

Investments in subsidiary undertakings are stated at cost less any provision for impairment.

**1.15 Provisions**

Provisions are recognised where there is a present obligation as a result of a past event where it is probable that funds will be required to settle the obligation, which can be measured or estimated reliably.

**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**

The judgements, apart from those involving estimations, that management has made in the process of applying the group's accounting policies that have the most significant effect on the amounts recognised in the accounts are:

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

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

CDP Worldwide makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are no key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**Note 2 - Incoming resources**

	2022 Unrestricted funds £m	2022 Restricted funds £m	2022 Total £m	2021 Unrestricted funds £m	2021 Restricted funds £m	2021 Total £m
<b>Income from charitable activities</b>						
Mission-congruent grants	3.2	13.2	16.4	3.2	10.9	14.1
Annual investor memberships and signatory fees	0.3	-	0.3	0.4	-	0.4
Disclosure administrative fees	1.3	-	1.3	0.9	-	0.9
Global data partnerships	1.3	-	1.3	0.6	-	0.6
	<u>6.1</u>	<u>13.2</u>	<u>19.3</u>	<u>5.1</u>	<u>10.9</u>	<u>16.0</u>
<b>Income from service-based activities</b>						
Corporate memberships and partnerships	3.1	-	3.1	2.8	-	2.8
Sponsorship fees and other service- based activities	1.4	-	1.4	1.2	-	1.2
	<u>4.5</u>	<u>-</u>	<u>4.5</u>	<u>4.0</u>	<u>-</u>	<u>4.0</u>
<b>Other income</b>						
Licence and service fees	6.8	-	6.8	3.7	-	3.7
	<u>17.4</u>	<u>13.2</u>	<u>30.6</u>	<u>12.8</u>	<u>10.9</u>	<u>23.7</u>

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**Note 3 - Dedicated fundraising expenditure**

	<b>2022</b>	<b>2021</b>
	<b>£m</b>	<b>£m</b>
Staff costs	1.2	0.7
Other direct costs	0.1	-
Support costs	0.1	0.1
	<b>1.4</b>	<b>0.8</b>

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

**Note 4 - Analysis of service-based activities**

	<b>2022</b>	<b>2021</b>
	<b>£m</b>	<b>£m</b>
<b>Incoming resources from service-based activities</b>		
Corporate memberships and partnerships	3.1	2.8
Sponsorship fees and other service based activities	1.4	1.2
<b>Total incoming resources</b>	<b>4.5</b>	<b>4.0</b>
<b>Expenditure on service-based activities</b>		
Staff costs	3.3	2.8
Other direct costs	0.7	0.3
Support costs	0.5	0.5
<b>Total cost of activities</b>	<b>4.5</b>	<b>3.6</b>
<b>Net income from service-based activities</b>	<b>-</b>	<b>0.4</b>

All income and expenditure on service-based activities relates to unrestricted funds in the current and prior years.

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**Note 5 - Expenditure on programmes**

<b><u>By programme</u></b>	<b>2022 Unrestricted £m</b>	<b>2022 Restricted £m</b>	<b>2022 Total £m</b>	<b>2021 Unrestricted £m</b>	<b>2021 Restricted £m</b>	<b>2021 Total £m</b>
Climate change, forests and water security	5.8	8.2	14.0	5.6	5.3	10.9
Increasing institutional investor engagement	2.3	-	2.3	0.8	0.7	1.5
Increasing reporting by cities, states and regions	0.8	1.6	2.4	0.8	1.8	2.6
Next Generation Disclosure	-	3.4	3.4	-	2.6	2.6
	<b>8.9</b>	<b>13.2</b>	<b>22.1</b>	<b>7.2</b>	<b>10.4</b>	<b>17.6</b>

<b><u>Analysis of charitable expenditure</u></b>	<b>2022 Unrestricted £m</b>	<b>2022 Restricted £m</b>	<b>2022 Total £m</b>	<b>2021 Unrestricted £m</b>	<b>2021 Restricted £m</b>	<b>2021 Total £m</b>
Staff costs	6.4	8.9	15.3	5.4	7.4	12.8
Other direct costs	1.0	2.7	3.7	0.6	1.7	2.3
Support costs	1.5	1.6	3.1	1.2	1.3	2.5
	<b>8.9</b>	<b>13.2</b>	<b>22.1</b>	<b>7.2</b>	<b>10.4</b>	<b>17.6</b>

**Note 6 - Analysis of support costs**

	<b>Service-based activities £'000</b>	<b>Dedicated fundraising £'000</b>	<b>Charitable programmes £'000</b>	<b>2022 Total £'000</b>	<b>2021 Total £'000</b>
Premises	147	19	856	1,022	1,280
Other establishment & office costs	73	9	424	506	303
IT and telecoms costs	265	35	1,578	1,878	1,145
Disclosure Platform amortisation, licence and maintenance	52	6	273	331	321
	<b>537</b>	<b>69</b>	<b>3,131</b>	<b>3,737</b>	<b>3,049</b>

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**Note 7 - Expenditure for the period includes:**

	2022 £'000	2021 £'000
Depreciation and amortisation	552	445
Auditor's remuneration	43	38
Remuneration for Auditor's non-audit work	5	5
Operating lease rentals	685	536

During the year no Trustees received any remuneration or benefits-in-kind (2021: £Nil).

During the year no Trustees received reimbursement of expenses relating to travel and subsistence amounting to £0 (2021: 12 Trustees £4,700).

**Note 8 - Staff costs**

	The Group		The Charity	
	2022 Number	2021 Number	2022 Number	2021 Number
Average monthly number of employees				
Charitable programmes	253	216	163	181
Service-based activities	110	57	79	34
Dedicated fundraising	25	14	19	11
Total average monthly number of employees	388	287	261	226
Analysis of staff costs	The Group		The Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Wages and salaries	16,141	12,336	13,873	10,707
Social security costs	1,829	1,308	1,457	984
Pension costs	898	644	854	632
Other employee benefits	133	90	17	11
<b>Costs of directly employed staff members</b>	<b>19,001</b>	<b>14,378</b>	<b>16,201</b>	<b>12,334</b>
External contractors	171	1,713	114	1,541
Recruitment and training	611	271	507	291
<b>Total staff costs</b>	<b>19,783</b>	<b>16,362</b>	<b>16,822</b>	<b>14,166</b>

Redundancy costs of £2,000 have been paid and expensed (2021: £18,000). There were no amounts provided for at the year end date.



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**Note 8 - Staff costs (cont.)**

**Analysis of staff costs (£000's)**

By department	2022 Unrestricted £'000	2022 Restricted £'000	2022 Total £'000	2021 Unrestricted £'000	2021 Restricted £'000	2021 Total £'000
Charitable programmes	6,436	8,864	15,300	5,447	7,313	12,760
Service-based activities	3,311	-	3,311	2,764	-	2,764
Dedicated fundraising	1,172	-	1,172	748	-	748
	<b>10,919</b>	<b>8,864</b>	<b>19,783</b>	<b>8,959</b>	<b>7,313</b>	<b>16,272</b>

**Analysis of higher paid employees**

	2022 Number	2021 Number
£60,000 - £70,000	15	14
£70,001 - £80,000	9	3
£80,001 - £90,000	6	3
£90,001 - £100,000	1	3
£100,001 - £110,000	4	1
£110,001 - £120,000	1	2
£120,001 - £130,000	1	1
£130,001 - £140,000	1	-
£160,001 - £170,000	1	-
Total	<b>39</b>	<b>27</b>

**Key management personnel compensation - Group**

The Executive Leadership Team received total employee benefits of £908,000 (2021: £699,000) for their services in the year. Total employee benefits includes all forms of consideration paid or payable, including employer pension and social security contributions.

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**Note 9: Intangible fixed assets**

	<b>The Group</b>	<b>The Charity</b>
	<b>Computer Software</b>	<b>Computer Software</b>
	<b>£m</b>	<b>£m</b>
<b>Cost</b>		
Balance b/fwd at 1 April 2021	2.0	1.6
Additions	-	-
Disposals	-	-
Exchange movements	(0.1)	-
Balance c/fwd at 31 March 2022	<u>1.9</u>	<u>1.6</u>
<b>Depreciation</b>		
Balance b/fwd at 1 April 2021	1.6	1.2
Charge	0.3	0.3
Disposals	-	-
Exchange movements	(0.1)	-
Balance c/fwd at 31 March 2022	<u>1.8</u>	<u>1.5</u>
<b>Net Book Value</b>		
At 31 March 2022	<u>0.1</u>	<u>0.1</u>
At 31 March 2021	<u>0.4</u>	<u>0.4</u>

Amortisation is recognised as an expense in the Statement of Financial Activities. The amortisation expense is charged or apportioned to the relevant headings so as to reflect the assets use.

**Note 10: Tangible fixed assets**

**(a) The Group**

	<b>Leasehold</b>	<b>Fixtures,</b>	<b>Computer</b>	<b>Total</b>
	<b>Improvements</b>	<b>fittings and</b>	<b>equipment</b>	
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Cost</b>				
Balance b/fwd at 1 April 2021	0.8	0.2	0.5	1.5
Additions	-	-	0.1	0.1
Disposals	-	-	-	-
Exchange movements	-	-	-	-
Balance c/fwd at 31 March 2022	<u>0.8</u>	<u>0.2</u>	<u>0.6</u>	<u>1.6</u>
<b>Depreciation</b>				
Balance b/fwd at 1 April 2021	0.4	0.1	0.4	0.9
Charge	0.1	0.1	0.1	0.3
Disposals	-	-	-	-
Exchange movements	-	-	(0.1)	(0.1)
Balance c/fwd at 31 March 2022	<u>0.5</u>	<u>0.2</u>	<u>0.4</u>	<u>1.1</u>
<b>Net Book Value</b>				
At 31 March 2022	<u>0.3</u>	<u>-</u>	<u>0.2</u>	<u>0.5</u>
At 31 March 2021	<u>0.4</u>	<u>0.1</u>	<u>0.1</u>	<u>0.6</u>

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**Note 10: Tangible fixed assets**

**(b) The Charity**

	Leasehold Improvements	Fixtures, fittings and equipment	Computer Equipment	Total
	£m	£m	£m	£m
<b>Cost</b>				
Balance b/fwd at 1 April 2021	0.8	0.2	0.4	1.4
Additions	-	-	0.1	0.1
Disposals	-	-	-	-
Balance c/fwd at 31 March 2022	<b>0.8</b>	<b>0.2</b>	<b>0.5</b>	<b>1.5</b>
<b>Depreciation</b>				
Balance b/fwd at 1 April 2021	0.4	0.1	0.3	0.8
Charge	0.1	-	0.1	0.2
Disposals	-	-	-	-
Balance c/fwd at 31 March 2022	<b>0.5</b>	<b>0.1</b>	<b>0.4</b>	<b>1.0</b>
<b>Net Book Value</b>				
At 31 March 2022	<b>0.3</b>	<b>0.1</b>	<b>0.1</b>	<b>0.5</b>
At 31 March 2021	<b>0.4</b>	<b>0.1</b>	<b>0.1</b>	<b>0.6</b>

Depreciation is recognised as an expense in the Statement of Financial Activities. The depreciation expense is charged or apportioned to the relevant headings so as to reflect the assets use.

**Note 11: Fixed asset investments**

	The Charity
	Shares in group undertakings £'000
<b>Cost</b>	
Balance b/fwd at 1 April 2021	22.4
Additions	-
Disposals	-
Balance c/fwd at 31 March 2022	<b>22.4</b>
<b>Net Book Value</b>	
At 31 March 2022	<b>22.4</b>
At 31 March 2021	<b>22.4</b>

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**Note 11: Fixed asset investments (cont.)**

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

	Incorporated in:	Registered address:	Company number:
CDP Operations Ltd	England & Wales	4th Floor, 60 Great Tower Street, London, EC3R 5AD	06602534
CDP Worldwide – Services GmbH	Germany	c/o WeWorkPotsdamer Platz - Kemperplatz 110785 Berlin	HRB 211624 B
CDP Operations India Private Limited (1% ownership by CDP Operations Limited)	India	332 Mt Kailash, New Delhi 110065	U74999DL2020PTC362706
CDP Insights Limited (dormant)	England & Wales	4th Floor, 60 Great Tower Street, London, EC3R 5AD	12404624

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

	Incorporated in:	Registered address:	Company number:
Carbon Disclosure Project India*	India	3rd Floor, 315 Sant Nagar, New Delhi, 110065	U74140DL2012NPL234683
CDP Worldwide (Hong Kong) Limited	Hong Kong	7/F Cheung Hing Building, Kennedy Town, Hong Kong	2528330
CDP Worldwide – Japan*	Japan	Shin-Otemachi Bldg.3F 2-2- 1,Otemachi Chiyoda-ku Tokyo 100-0004	2120001165712
Carbon Disclosure Project Latin America*	Brazil	Rua Capita Cavalcanti, 38 Bairro Vila Marian, Sao Paulo	12.632.882/0001-97

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

	Incorporated in:	Registered address:	Company number:
Beijing Carbon Disclosure Project Environmental Consulting Co. Limited*	China	Room 1902, Tower A, Beijing Wanda Plaza, No. 93 Jianguo Rd, Chaoyang District, Beijing 100022	110000450214347

\* The activity of those companies marked with an asterisk is charitable work in support of climate and environmental protection. All other companies are trading companies for the charity CDP Worldwide with the primary purpose to help in fulfilling its charitable objectives.

**Principal Subsidiaries**

The financial results of the subsidiaries were:

Names	Income	Expenditure	Surplus/ (Deficit)
	£m	£m	£m
CDP Operations Limited	3.3	(0.2)	3.1
CDP Worldwide (Hong Kong) Limited	0.7	(1.1)	(0.4)
CDP Worldwide – Japan	1.6	(1.1)	0.5
Carbon Disclosure Project Latin America	1.3	(1.0)	0.3
Beijing Carbon Disclosure Project Environmental Consulting Co. Ltd	1.0	(0.7)	0.3
CDP Worldwide – Services GmbH	0.8	(0.8)	-
CDP Operations India Private Limited	0.2	(0.1)	0.1
Carbon Disclosure Project India*	-	(0.1)	(0.1)
	Assets	Liabilities	Funds
	£m	£m	£m
CDP Operations Limited	7.0	(3.9)	3.1
CDP Worldwide (Hong Kong) Limited	1.1	(2.4)	(1.3)
CDP Worldwide – Japan	1.6	(1.0)	0.6
Carbon Disclosure Project Latin America	1.2	(0.7)	0.5
Beijing Carbon Disclosure Project Environmental Consulting Co. Ltd	0.7	(0.2)	0.5
CDP Worldwide – Services GmbH	0.1	(0.1)	-
CDP Operations India Private Limited	0.1	-	0.1
Carbon Disclosure Project India*	-	-	-

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**Note 12: Debtors**

	The Group		The Charity	
	2022	2021	2022	2021
	£m	£m	£m	£m
<b>Debtors due in more than one year</b>				
Rent deposits	0.6	0.5	0.5	0.5
<b>Debtors due within one year</b>				
Trade debtors	4.9	3.4	0.7	1.5
Amounts owed by group undertakings	-	-	1.0	1.1
Amounts owed by other CDP Global System companies	5.5	1.6	2.5	0.5
Prepayments and accrued income	2.6	2.1	2.0	1.1
Other debtors	0.1	0.1	0.1	0.1
	<b>13.7</b>	<b>7.7</b>	<b>6.8</b>	<b>4.8</b>

Amounts owed by group undertakings are non-interest bearing and are repayable on demand.

**Note 13 (a): Creditors: amounts falling due within one year**

	The Group		The Charity	
	2022	2021	2022	2021
	£m	£m	£m	£m
Bank loans and overdrafts	-	0.1	-	0.1
Loans due to CDP Global System companies	2.4	2.3	2.4	2.3
Other amounts due to CDP Global System companies	0.7	-	0.7	-
Trade creditors	2.4	1.3	1.9	1.3
Amounts due to group undertakings	-	-	0.6	0.1
Other taxes and social security costs	0.6	0.4	0.5	0.8
Other creditors	1.1	0.2	1.1	0.1
Accruals	1.5	1.5	1.2	1.3
Amounts owed to partners	1.3	0.6	-	-
Sub-grants due	0.7	1.1	2.0	1.1
Deferred income (Note 14)	3.9	2.3	0.1	0.1
	<b>14.6</b>	<b>9.8</b>	<b>10.5</b>	<b>7.2</b>

Included within other creditors is £99,000 (2021: £76,000) of owed pension contributions.

Included within The Charity sub-grants due is £1,322,000 (2021: £800,000) of amounts owed by group companies.

Loans from CDP Global System companies comprise:

- A USD \$1.7m promissory loan note issued by CDP North America, Inc. that expires on 31 March 2023 and carries a 3.25% interest rate
- A EUR €0.65m 6 month loan from CDP Europe – Services GmbH that expired on 23 July 2022 and carried an interest rate of 6%.
- A EUR €0.65m 6 month loan from CDP Europe – Services GmbH that expired on 15 September 2022 and carried an interest rate of 6%.

At the year end CDP owed £nil (2021: £86,000) in bank loans to HSBC PLC, which was all due within 1 year. There is a fixed and floating charge over all assets of CDP Worldwide with HSBC Bank PLC.

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**Note 13 (b): Provisions for liabilities**

	<b>The Group £m</b>	<b>The Charity £m</b>
Dilapidations provision		
Carrying amount at 1 April 2021	0.1	0.1
Carrying amount at 31 March 2022	<u>0.1</u>	<u>0.1</u>

The dilapidations provision relates to the expected amount of landlord claims at the end of the lease on leasehold property occupied by the charity.

**Note 14: Deferred income**

	<b>The Group</b>		<b>The Charity</b>	
	<b>2022 £m</b>	<b>2021 £m</b>	<b>2022 £m</b>	<b>2021 £m</b>
Balance b/fwd at 1 April 2021	2.3	1.7	0.1	0.1
Amounts released from prior years	(2.3)	(1.7)	(0.1)	(0.1)
Deferred in current year	3.9	2.3	0.1	0.1
Balance c/fwd at 31 March 2022	<u>3.9</u>	<u>2.3</u>	<u>0.1</u>	<u>0.1</u>

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

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**Note 15: Reserves**

The Group	Balance at 1 April 2021 £m	Incoming resources £m	Resources expended £m	Gains / (Losses) £m	Balance at 31 March 2022 £m
Unrestricted reserves	(2.8)	17.4	(14.9)	-	(0.3)
Restricted reserves	4.4	13.2	(13.2)	-	4.4
<b>Total unrestricted and restricted funds</b>	<b>1.6</b>	<b>30.6</b>	<b>(28.1)</b>	<b>-</b>	<b>4.1</b>

The Charity	Balance at 1 April 2021 £m	Incoming resources £m	Resources expended £m	Gains / (Losses) £m	Balance at 31 March 2022 £m
Unrestricted reserves	(3.7)	11.4	(12.5)	-	(4.8)
Restricted reserves	4.2	11.2	(11.3)	-	4.1
<b>Total unrestricted and restricted funds</b>	<b>0.5</b>	<b>22.6</b>	<b>(23.8)</b>	<b>-</b>	<b>(0.7)</b>

**Note 16: Restricted reserves**

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

The Group and the Charity	Balance at 1 April 2021 £m	Incoming resources £m	Resources expended £m	Balance at 31 March 2022 £m
AKO Foundation	0.3	0.2	-	0.5
Bank of America	0.1	0.2	(0.2)	0.1
Bloomberg Philanthropies	1.8	1.2	(1.8)	1.2
Breakthrough Energy Catalyst Foundation	0.9	-	(0.9)	-
Children's Investment Fund Foundation	0.2	3.9	(3.7)	0.4
The Netherlands Enterprise Agency - The Netherlands Government Ministry of Economic Affairs and Climate Policy	-	0.4	(0.4)	-
Bezos Earth Fund	-	0.3	(0.3)	-
Laudes Brenninkmeijer Foundation	-	0.3	(0.1)	0.2
New Venture Fund (We Mean Business Coalition)	-	2.1	(1.3)	0.8
New Climate Institution	-	0.1	-	0.1
Norwegian Agency for Development Cooperation	0.1	0.2	(0.2)	0.1
The David and Lucille Packard Foundation	0.2	0.2	(0.2)	0.2
The United Kingdom Government: UK PACT	-	0.3	(0.3)	-
Swiss Agency for Development and Cooperation	-	0.3	(0.2)	0.1
Walmart Foundation	0.1	0.1	(0.1)	0.1
World Benchmarking Alliance Foundation	-	0.7	(0.7)	-
Other Restricted Grants	0.5	0.7	(0.9)	0.3
<b>Total Charity</b>	<b>4.2</b>	<b>11.2</b>	<b>(11.3)</b>	<b>4.1</b>

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**Note 16: Restricted reserves (cont.)**

AKO Foundation	0.1	0.3	(0.4)	-
Bank of America	-	0.1	(0.1)	-
Bloomberg Philanthropies	-	0.1	(0.0)	0.1
New Venture Fund (We Mean Business Coalition)	-	0.1	(0.1)	-
Norwegian Agency for Development Cooperation	-	0.3	(0.3)	-
The David and Lucille Packard Foundation	0.1	0.2	(0.1)	0.2
The United Kingdom Government: UK PACT	-	0.5	(0.5)	-
Walmart Foundation	-	0.2	(0.2)	-
Other Restricted Grants	-	0.2	(0.2)	-
<b>Total Group</b>	<b>4.4</b>	<b>13.2</b>	<b>(13.2)</b>	<b>4.4</b>

**AKO**

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

**Bank of America**

Funding to deepen evidence-based climate resilience planning for Asian Cities and Financial Institutions. This year's 12-month renewal grant from Bank of America is comprised of two projects (one targeting Financial Institutions (FIs) / Capital Markets and one focused on CStaR). Through the grant, CDP aims to 1) build on an ongoing capacity building programme to accelerate and further drive cities on their journey to climate resilience through training, expertise and peer-to-peer exchange on adaptation and resilience planning and 2) run tailor-made capacity-building programs for FIs on the measurement and disclosure of financed emissions providing FIs with additional analysis from data previously provided through CDP's platform. Support to CDP's Cities, States and Regions, and Capital Markets programs in the Asia Pacific region.

**Bloomberg Philanthropies**

Cities and other grants: funding for CDP's cities program which provides the leading disclosure platform helping cities around the world to measure, monitor and manage their environmental impacts and risks by collecting applicable data on city-related actions and emissions to help power future research reports and determine climate effort priorities. It is an official platform for the Global Compact of Mayors, the world's largest coalition of city leaders addressing climate change, and has strong relationships with C40, International Council for Local Environmental Initiatives (ICLEI), and American Council for an Energy Efficient Economy (ACEEE), among many others.

**Breakthrough Energy Catalyst Foundation**

Funding work to define a framework that articulates the impact of investing in emerging climate technologies, building on developing BE's Catalyzed Emissions Reduction Framework, and align it with the SBTi Net-Zero framework. Funding also supports work to build an ecosystem of influential actors to support the framework developed, support the creation of a mechanism to validate corporate claims for investment into emerging climate technologies and incentivise companies to make investments that align with the framework developed in the project, and embed these claims and emerging instruments within CDP's reporting mechanism.

**Children's Investment Fund Foundation**

Continued funding to support advocacy work to secure mandatory reporting of the Task Force recommendations across the G20 by 2020; and CDP's investor research team. In addition in the year, a new £5.9m restricted grant from CIFF to fund the development and implementation of the Next Generation Disclosure programme over the 4 years ending 31 March 2024. This programme aims to transform our disclosure process to improve both the customer experience and reach new disclosers, driving increased levels of administrative fees and fee for service income.

- Ongoing grant to fund the development and implementation of the 'Next Gen' programme aiming to transform our disclosure process to improve both the customer experience and reach new disclosers, driving increase levels of administrative fees and fee for service income.
- Grant to develop, coordinate 'Say on Climate' transition plan efforts across CIFF and partners
- Continued funding towards strategic opportunities for CDP
- Grant to support towards CDP's Organisational Development.

**The Netherlands Enterprise Agency - The Netherlands Government Ministry of Economic Affairs and Climate Policy**

Funding is to increase water-related transparency and awareness among financial institutions.



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**Bezos Earth Fund**

Funding for the Science Based Targets Initiative for scaling-up climate action within the corporate sector consistent with limiting global warming to 1.5°C.

**Laudes Brenninkmeijer Foundation**

Funding the development of science-based target resources for the built environment value-chain from a corporate and investor perspective, focusing on operational and embodied emissions for commercial and residential buildings.

**New Climate Institute**

As part of a consortium, working on proposing the most up-to-date and comprehensive estimate of the impact of cities, regions, and business climate commitments on greenhouse gas (GHG) emissions, both at the global level and within high-emitting countries.

**New Venture Fund / We Mean Business Coalition**

Funding from the We Mean Business Coalition for a range of projects to accelerate the transition to a low carbon economy, including:

- support to CDP's Cities, States and regions work with the City Business Climate Alliance (CBCA);
- support to the SBTi (helping companies to set greenhouse gas emissions reduction targets that would help to prevent the worst impacts of climate change);
- securing corporate commitments to ambitious climate actions in India
- 1.5 Business Ambition and The Climate Pledge; and
- SME Climate Action Tracking.

**Norwegian Agency for Development Cooperation**

Raising Ambition and Accelerating Action to Protect and Restore Forests (RAAPRF) is an ambitious five-year project. Interventions with aim to transform financial markets, leveraging the power of finance to Financial Institutions & Regulators stimulate deforestation free commodity production. Work with will drive the transition of a Purchasing Companies & Suppliers critical group of companies to eliminate deforestation from supply chains we will use data and insights to tailor evidence-based; policy recommendations to incorporate and drive private sector action on REDD+ and other forest sector policies, in line with achieving increased NDC ambition on forests with policymakers.'

**The David and Lucile Packard Foundation**

Funding for implementing CDP's global reporting framework with major buyers sourcing palm oil in Indonesia, while also developing the capacity of palm oil suppliers to track and report progress through CDP's disclosure platform. The work focuses on building a critical mass to accelerate the effort to transition to sustainable palm oil supply chains. To achieve this objective, CDP promotes alignment with widely accepted reporting frameworks and guidance, such as the Task Force for Climate Related Financial Disclosures (TCFD) and the Accountability Framework Initiative (AFI), as well as emerging initiatives such as Jurisdictional Approaches.

Continued funding towards 'Power of Procurement - catalyzing action to end deforestation in Indonesia'.

**The United Kingdom Government: UK PACT**

UK PACT (Partnering for Accelerated Climate Transitions) is a flagship programme under the UK's International Climate Finance Portfolio to tackling climate change and support partners' countries transition to low carbon development. The UK PACT is supporting two CDP programmes in Brazil and Thailand to work on nature-based solutions to build sustainability and shaping high-quality environmental disclosure based upon Task Force on Climate-Related Financial Disclosures recommendations.

**Swiss Agency for Development and Cooperation**

Funding is to scale water-related transparency to catalyse more responsible use of water resources amongst major water consuming and polluting sectors, incentivised by a critical mass of policy makers that have begun to act with urgency to address the global water crisis.

**Walmart Foundation**

CDP will address gaps preventing companies, investors and governments from collaborating to mitigate systemic drivers of nature degradation and scale action on landscape-level forest conservation in Latin America and Southeast Asia, within a broader context of building sustainable sourcing regions.

**World Benchmarking Alliance Foundation**

Funding the feasibility and/or development of industry-specific benchmarks that assess and rank companies on their contribution to Climate Action.

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**Note 17: Analysis of net assets between funds**

	Unrestricted funds	Restricted funds	Total 2022	Unrestricted funds	Restricted funds	Total 2021
	£m	£m	£m	£m	£m	£m
Fixed assets	0.6	-	0.6	1.0	-	1.0
Cash at bank and in hand	2.4	2.1	4.5	0.2	2.6	2.8
Other current assets	10.9	2.8	13.7	5.7	2.0	7.7
Current liabilities	(14.1)	(0.5)	(14.6)	(9.6)	(0.2)	(9.8)
Provisions	(0.1)	-	(0.1)	(0.1)	-	(0.1)
	<b>(0.3)</b>	<b>4.4</b>	<b>4.1</b>	<b>(2.8)</b>	<b>4.4</b>	<b>1.6</b>

**Note 18. Financial Commitments**

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

	The Group		The Charity	
	2022	2021	2022	2021
	£m	£m	£m	£m
<b>Operating leases which expire:</b>				
Within 1 year inclusive	0.8	0.5	0.6	0.5
In the second to fifth years inclusive	0.8	1.4	0.8	1.4
More than five years	-	-	-	-
	<b>1.6</b>	<b>1.9</b>	<b>1.4</b>	<b>1.9</b>

**Note 19: Related party transactions**

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

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

As at 31 March 2022, an amount of £78,000 was owed by CDP North America Inc. (2021: £720,000 owed by). During the year, CDP Worldwide received income of £4,143,000 (2021: £2,807,000) for support services.

As at 31 March 2022, an amount of £2,339,000 was owed by CDP Europe AISBL and its subsidiaries (2021: £882,000 owed by). During the year, CDP Worldwide received income of £3,348,000 (2021: £1,433,000) for support services.

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**Note 19: Related party transactions notes (cont')**

As at 31 March 2022, the following amounts were due to CDP Worldwide:

<b>Subsidiary</b>	<b>Incorporated in</b>	<b>2022 £</b>	<b>2021 £</b>
CDP Operations Limited	England & Wales	-	1,102,165
Carbon Disclosure Project Latin America	Brazil	35,325	37,974
Qidiping Climate and Environment Consulting Co Ltd	China	-	2,737
CDP Worldwide Hong Kong Limited	Hong Kong	989,658	-
		<b>1,024,983</b>	<b>1,142,876</b>

The amounts due to CDP Worldwide are deemed recoverable based on the expected future cash flows of the entities. There is a provision against amounts due from CDP Worldwide Hong Kong of £1,318,022 (2021: £1,430,090) and Carbon Disclosure Project India of £97,874 (2021: £70,063).

The amounts due to CDP Worldwide from its subsidiaries represent the balance of operational transactions between the entities, comprising mainly of expenditure paid on behalf of the entity by CDP Worldwide. No interest is being accrued on these balances.

As at 31 March 2022, the following amounts were due by CDP Worldwide:

<b>Subsidiary</b>	<b>Incorporated in</b>	<b>2022 £</b>	<b>2021 £</b>
CDP Operations Limited	England & Wales	452,448	-
CDP Operations India Private Limited	India	59,000	-
CDP Worldwide Services GmbH	Germany	10,551	19,089
CDP Worldwide (Japan)	Japan	86,855	44,416
		<b>608,854</b>	<b>63,505</b>

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

As at 31 March 2022, the following sub-grants were due by CDP Worldwide:

<b>Subsidiary</b>	<b>Incorporated in</b>	<b>2022 £</b>	<b>2021 £</b>
CDP Worldwide (Hong Kong) Limited		910,182	464,654
Carbon Disclosure Project Latin America		137,542	82,542
Beijing Carbon Disclosure Project Environmental Consulting Co. Ltd		274,495	193,666
		<b>1,322,219</b>	<b>740,862</b>

The amount due by CDP Worldwide Group to its subsidiaries represents the balance of sub-grants owed.

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**Note 20: Net income for the financial year**

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

The parent charity's total income for the year was £22.6m (2021: £20.2m).

The charity's funds for the year decreased by £1.2m (2021: £0.6m increase).

**Note 21: Note to the Consolidated Cash Flow**

	<b>Total 2022 £m</b>	<b>Total 2021 £m</b>
Net movement in funds	2.5	1.6
Depreciation and amortisation	0.6	0.4
(Increase)/Decrease in debtors	(6.1)	(3.9)
Increase/(Decrease) in creditors	4.9	1.3
Exchange differences	-	-
<b>Cash flows from operating activities</b>	<b>1.9</b>	<b>(0.6)</b>

**Note 22: Net Debt**

	<b>Total 2022 £m</b>	<b>Total 2021 £m</b>
Cash	4.5	2.8
Loans falling due within one year	-	(0.1)
<b>Total</b>	<b>4.5</b>	<b>2.7</b>

**Note 23: Controlling party**

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