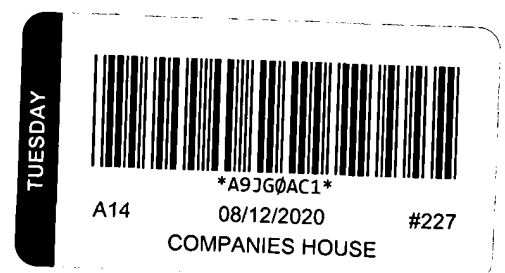


Company registration No. 06888857 (England and Wales)

INVESTOR WATCH

Directors' Report and Financial Statements

For the eight-month period ended 31 December 2019



Directors' report

The directors present their report and financial statements for the eight-month period ended 31 December 2019. The report has been prepared taking advantage of the exemptions available to small companies under the Companies Act 2006.

Principal activities, review of the business and future plans

Investor Watch aims to develop initiatives which promote socially responsible investment and corporate social responsibility in order to align capital markets with the goal of social and ecological sustainability.

Its current main initiative is Planet Tracker which is a non-profit financial think tank aligning financial markets with a sustainable future. It was created to investigate the risk of market failure related to environmental limits. Planet Tracker generates breakthrough analytics to redefine how financial and environmental data interact with the aim of changing the practices of financial decision makers to help avoid environmental collapse. Its principal outputs are research, data, tools, reports and outreach/engagement programmes. During this financial year, Planet Tracker has focused on programmes on food & agriculture, sovereign bonds and seafood. Over the next 2-3 years, the plan is to expand the initiative by both extending and deepening its work and looking at new programmatic areas such as textiles, plastics and water.

Results for the year

The company returned a surplus of £84.6k for the period (year ended 30 April 2019: deficit of £0.2k). Total income increased by £377k to £1.1m (year ended 30 April 2019: £742k). Total expenditure increased by 39% to £1.0m (year ended 30 April 2019: £742k).

Total fixed assets have increased in the period by £13k to £19k (year ended 30 April 2019: £6k) this is largely due to the website development. Total Debtors have increased by £37k in the period to £75k (year ended 30 April 2019: £38k) this is largely due to a £29k increase in accrued income to £37k (year ended 30 April 2019: £8k). Cash at Bank has increased in the period by £133k to £1.1m (year ended 30 April 2019: £949k). Total Creditors increased in the period by 11% to £987,395 (year ended 30 April 2019: £889k) this is largely due to timings of money received from grant providers which has caused an increase of £108k in deferred income in the period to £926k (year ended 30 April 2019: £818k).

Company Directors

The directors who served during the period were:

M Campanale
A Chapple
C Krosinsky
J Grayson
N Robins

No director has a beneficial shareholding in the company.

Provision of Information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

- the director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditor

The company's auditor is Crowe U.K. LLP who are based at St Bride's House, 10 Salisbury Square, London, EC4Y 8EH.

Registered Office

The company's registered office is at Suite B, 42-44 Bishopsgate, London, United Kingdom, EC2N 4AH.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial period in accordance with United Kingdom Generally Accepted Accounting Practice (UKGAPP) and applicable law.


Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Directors and signed on its behalf by:



M Campanale

Executive Director

Date: 29th July 2020

Independent Auditor's Report to the Members of Investor Watch

Opinion

We have audited the financial statements of Investor Watch for the eight-month period ended 31 December 2019 which comprise the Profit and Loss Account, the Balance Sheet and notes to the financial statements, including a summary of 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 company's affairs as at 31 December 2019 and of its result for the eight-month period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Basis for Opinion

We conducted our audit in accordance with International Standard on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statement 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.

In the previous accounting period, the directors of the company took advantage of audit exemption under s477 of the Companies Act. Therefore, the prior period financial statements were not subject to audit.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's

report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 this fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in Directors' Report.

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

- adequate accounting records have not been kept by the company, 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 exemption in preparing the directors report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement (set out on page 2) the directors 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 directors 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 directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternatives 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 issues an

auditor's report that included 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Tim Redwood

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

Date: 30 July 2020

Profit and Loss Account

For the eight-month period ended 31 December 2019

	Period ended 31 December 2019	Year ended 30 April 2019
	£	£
Income	1,118,920	741,670
Expenditure	(1,034,397)	(742,157)
Operating Profit	84,523	(487)
Interest income	126	262
Profit/loss on ordinary activities before taxation	84,649	(225)
Tax on profit on ordinary activities	-	-
Result for the year	84,649	(225)

The company has no recognised gains or losses in the year other than those stated in the above profit and loss account; therefore no Statement of Total Recognised Gains and Losses has been presented.

All amounts relate to continuing activities.

The notes on pages 8 to 12 form part of these financial statements.

Balance Sheet

At 31 December 2019

			31 Dec 2019	30 Apr 2019
	Notes	£	£	£
Fixed Assets				
Tangible Assets	4	8,658		5,751
Intangible Assets	5	<u>10,321</u>		-
			18,979	5,751
Current assets				
Debtors	6	74,705		38,084
Cash at bank and in hand		<u>1,082,447</u>		<u>949,063</u>
			1,157,152	987,147
Creditors: amounts falling due within one year	7		<u>(987,395)</u>	<u>(888,811)</u>
Net current assets (liabilities)			169,757	98,336
Net Assets			188,736	104,087
Capital and Reserves				
Reserves		<u>188,736</u>		<u>104,087</u>
Total Funds			188,736	104,087

Investor Watch is a private limited company by guarantee incorporated in the UK (registered number 06888857).

These financial statements have been prepared in accordance with FRS102 (Section 1A Smaller Entities), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and with the Companies Act 2006.

The notes on pages 8 to 12 form part of these financial statements.

The financial statements on pages 6 to 12 were approved and authorised for issue by the Board of Directors and signed on its behalf by:



M Campanale (Executive Director)

Date: 29 July 2020

Investor Watch

Notes to the financial statements (continued)

for the eight-month period ended 31 December 2019

1. General information

Investor Watch is a private company limited by guarantee and incorporated in England. Its registered office is Suite B, 42-44 Bishopsgate, London, United Kingdom, EC2N 4AH.

The company's objects as set out in its governing documents are to promote socially responsible investment and corporate social responsibility in particular but without limitation by:

- Promoting the incorporation of the principles of social and environmental sustainability into the governance and operation of capital markets globally;
- Promoting the recording, analysis, accounting, reporting and disclosure of the carbon intensity and environmental impact of capital markets and the companies that use them; and
- Promoting openness and transparency concerning the activities of investors, stocks exchanges, market regulators, listed companies and other market actors including but not limited to accountants, brokers and other financial intermediaries.

2. Accounting policies

2.1. Basis of preparation of financial statements

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and FRS 102 (Section 1A Smaller Entities), the Financial Reporting Standard applicable in the UK and Republic of Ireland, as applicable to small entities.

Investor Watch meets the definition of a public benefit entity under FRS 102.

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

The financial statements are presented in Sterling, which is the functional currency of the company.

2.2. Income

Investor Watch receives most of its income from philanthropic institutions. Income is recognised when Investor Watch is entitled to the income, where the amount can be measured with reasonable reliability and when Investor Watch is reasonably certain of receipt.

Interest income represents bank interest income.

2.3. Expenditure

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

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

Investor Watch

Notes to the financial statements (continued)

for the eight-month period ended 31 December 2019

2. Accounting policies (continued)

2.4. Audit Fee

The audit fee for the period is £15,000 (year end 30 April 2019: nil)

2.5. Tangible Fixed Assets

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

Asset Category	Annual rate
Computer Equipment	33%
Office Equipment	20%

2.6. Intangible Fixed Assets

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

Asset Category	Annual rate
Website & Software Development	33%

2.7. Foreign currencies

Transactions in currencies, other than the functional currency of the company, are recorded at the rate of exchange on the date the transaction occurred. Monetary items denominated in other currencies are translated at the rate prevailing at the end of the reporting period. All differences are taken to the profit and loss account.

2.8. Taxation

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

3. Employees

The average number of persons employed by the company (including directors) during the period was 7 (year ended 30 April 2019 – 6).

Investor Watch

Notes to the financial statements (continued)

for the eight-month period ended 31 December 2019

4. Fixed Assets

	Computer Equipment	Office Equipment	Total
	£	£	£
Cost			
As at 1 May 2019	6,603	-	6,603
Additions	2,364	2,610	4,974
As at 31 December 2019	8,967	2,610	11,577
Depreciation			
As at 1 May 2019	852	-	852
Charge for the period	1,783	284	2,067
As at 31 December 2019	2,635	284	2,919
Net Book Value			
As at 1 May 2019	5,751	-	5,751
As at 31 December 2019	6,332	2,326	8,658

Investor Watch

Notes to the financial statements (continued)

for the eight-month period ended 31 December 2019

5. Intangible Assets

	Website Development
	£
Cost	
As at 1 May 2019	-
Additions	11,640
As at 31 December 2019	<u>11,640</u>
Depreciation	
As at 1 May 2019	-
Charge for the period	1,319
As at 31 December 2019	<u>1,319</u>
Net Book Value	
As at 1 May 2019	-
As at 31 December 2019	<u>10,321</u>

6. Debtors

	31 December 2019	30 April 2019
	£	£
Amounts owed by group undertakings	23,392	23,392
Accrued income	36,555	7,876
Prepayments	14,758	6,816
	<u>74,705</u>	<u>38,084</u>

Investor Watch

Notes to the financial statements (continued)

for the eight-month period ended 31 December 2019

7. Creditors: amounts falling due within one year

	31 December 2019	30 April 2019
	£	£
Trade and other payables	23,641	29,617
Accruals	17,328	21,190
Deferred income	926,150	817,912
Other tax and social security	20,276	20,092
	<u>987,395</u>	<u>888,811</u>

8. Taxation

The grants from philanthropic institutions do not constitute trading income and are therefore not subject to corporation tax. Corporation tax is payable on the company's profits arising from its trading income.

9. Related party transactions

The intercompany receivable balance is made up of costs incurred by Investor Watch on behalf of its subsidiary company Carbon Tracker Initiative Limited (the largest balance relates to mobile phone charges totalling £23k due to a delay in transferring the relevant account to Carbon Tracker Initiative Limited).