

Company Registration No. 07632295 (England and Wales)

CLIMATE IMPACT PARTNERS LIMITED
(FORMERLY CLIMATECARE OXFORD LIMITED)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022

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CLIMATE IMPACT PARTNERS LIMITED

COMPANY INFORMATION

Directors	E Doyle V E Lindsay
Company number	07632295
Registered office	112 Magdalen Road Oxford OX4 1RQ United Kingdom
Auditor	RSM UK Audit LLP Chartered Accountants 2nd Floor 1 The Square Temple Quay Bristol BS1 6DG

CLIMATE IMPACT PARTNERS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present the strategic report for the year ended 31 March 2022.

Review of the business

ClimateCare Impact Partners Limited ('the company') (formerly known as ClimateCare Oxford Limited) helped create the voluntary carbon market and pioneered carbon finance for community development projects. The company continues to develop award-winning carbon reduction projects and delivers some of the largest voluntary carbon offsetting programmes in the world. It is considered a leading profit-with-purpose business.

The company works with leading corporates, NGO's and governments to solve complex climate and sustainability issues on their journey to Net Zero and beyond.

The company has played a critical role in the delivery of record results for the ClimateCare Holdings Limited group of companies.

Key performance indicators

The company's performance and results were strong for the year ended 31 March 2022, with turnover of £19.4m (2021 - £16.8m), gross profit of £8.8m (2021 - £9.4m), operating profit (before exceptional items) of £2.8m (2021 - £7.0m) and net assets of £12.6m (2021 - £9.8m).

Principal risks and uncertainties

The principal risk and uncertainty could be any slowdown in the voluntary carbon market, however this possibility is considered to be remote as leading corporates, NGO's and governments are increasingly seeking to demonstrate climate action. The voluntary offset market is competitive, however the company holds a strong position in the voluntary offset market.

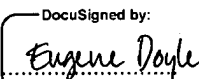
Going concern

The company is a member of the ClimateCare Holdings Limited group of companies and is party to the group's banking facilities which provide ongoing financial support. Because of the interlinked nature of the arrangements with its ultimate parent and the other companies in the group, in order to assess the going concern assumption of this company, detailed consideration has been undertaken at a group level, and group support has been confirmed as available for a period of at least 12 months from the date of approval of these financial statements.

In assessing going concern the directors have considered and modelled detailed monthly profit and loss and cashflow forecasts for a period of at least 12 months from the date of approval of these financial statements. In making the assessment the directors have considered the ongoing geopolitical situation and the ongoing economic uncertainty this is causing. The directors have taken this into account in their assessment of going concern and the forecasting of future sales, profitability, and cashflow.

The directors are confident that the group holds sufficient cash reserves to meet its liabilities as they fall due for at least 12 months from approval of these financial statements, and therefore these financial statements have been prepared on a going concern basis.

On behalf of the board

DocuSigned by:

E Doyle
97127216252746D...
Director

Date: August 26, 2022
Date:

CLIMATE IMPACT PARTNERS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present their annual report and financial statements for the year ended 31 March 2022.

Principal activities

The principal activity of the company continued to be that of the provision of carbon reduction services. The company was formerly known as ClimateCare Oxford Limited but changed its name on 7 July 2022.

Results and dividends

The results for the year are set out on page 7. No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

E Doyle
V E Lindsay

Future developments

There are no plans to change the nature of the company's activities in the foreseeable future.

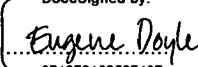
Auditor

RSM UK Audit LLP has indicated its willingness to continue in office.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

DocuSigned by:

.....
E Doyle 07127216252746D...
Director

Date: August 26, 2022
.....

CLIMATE IMPACT PARTNERS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the 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 judgements and accounting estimates that are reasonable and prudent;
- 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 are sufficient to show and explain the company's transactions and 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLIMATE IMPACT PARTNERS LIMITED

Opinion

We have audited the financial statements of Climate Impact Partners Limited (the 'company') for the year ended 31 March 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity 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 FRS 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 March 2022 and of its profit for the year 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.

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 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 directors' 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 directors with respect to going concern are described in the relevant sections of this report.

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 directors 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLIMATE IMPACT PARTNERS LIMITED (CONTINUED)

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 the strategic report or the 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, 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, 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 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLIMATE IMPACT PARTNERS LIMITED (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and reviewing tax computations prepared by tax specialists.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

Use of our report

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.

Malcolm Pirouet

Malcolm Pirouet FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
2nd Floor
1 The Square
Temple Quay
Bristol
BS1 6DG

30 August 2022

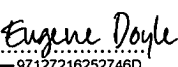
CLIMATE IMPACT PARTNERS LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
Turnover	3	19,434,225	16,787,511
Cost of sales		(10,679,432)	(7,422,375)
Gross profit		8,754,793	9,365,136
Administrative expenses		(5,919,319)	(2,324,723)
Exceptional items	4	-	(3,907,129)
Operating profit	7	2,835,474	3,133,284
Interest receivable and similar income	8	303	16,717
Profit before taxation		2,835,777	3,150,001
Tax on profit	9	318	(884,202)
Profit for the financial year		2,836,095	2,265,799

CLIMATE IMPACT PARTNERS LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
Fixed assets					
Intangible assets	10		11,313		-
Tangible assets	11		155,986		99,414
			<u>167,299</u>		<u>99,414</u>
Current assets					
Stocks	12	3,477,515		351,233	
Debtors falling due after more than one year	13	5,171,013		5,171,013	
Debtors falling due within one year	13	12,412,079		8,697,663	
Cash at bank and in hand		11,401,445		4,908,924	
		<u>32,462,052</u>		<u>19,128,833</u>	
Creditors: amounts falling due within one year	14	<u>(19,995,074)</u>		<u>(9,450,071)</u>	
Net current assets			<u>12,466,978</u>		<u>9,678,762</u>
Total assets less current liabilities			<u>12,634,277</u>		<u>9,778,176</u>
Provisions for liabilities	15		<u>(37,175)</u>		<u>(17,169)</u>
Net assets			<u><u>12,597,102</u></u>		<u><u>9,761,007</u></u>
Capital and reserves					
Called up share capital	18		3		3
Share premium account	19		168,749		168,749
Profit and loss reserves	19		12,428,350		9,592,255
Total equity			<u><u>12,597,102</u></u>		<u><u>9,761,007</u></u>

The financial statements were approved by the board of directors and authorised for issue on August 26, 2022 and are signed on its behalf by:

DocuSigned by:


 E Doyle
 Director

CLIMATE IMPACT PARTNERS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

	Share capital	Share premium account	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 April 2020	2	-	7,326,456	7,326,458
Year ended 31 March 2021:				
Profit and total comprehensive income for the year	-	-	2,265,799	2,265,799
Issue of share capital	1	168,749	-	168,750
Balance at 31 March 2021	3	168,749	9,592,255	9,761,007
Year ended 31 March 2022:				
Profit and total comprehensive income for the year	-	-	2,836,095	2,836,095
Balance at 31 March 2022	3	168,749	12,428,350	12,597,102

CLIMATE IMPACT PARTNERS LIMITED

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

1 Accounting policies

Company information

Climate Impact Partners Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 112 Magdalen Road, Oxford, United Kingdom, OX4 1RQ.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Reduced disclosures

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of ClimateCare Midco Limited. These consolidated financial statements are available from its registered office, 112 Magdalen Road, Oxford, United Kingdom, OX4 1RQ.

Going concern

The company is a member of the ClimateCare Holdings Limited group of companies and is party to the group's banking facilities which provide ongoing financial support. Because of the interlinked nature of the arrangements with its ultimate parent and the other companies in the group, in order to assess the going concern assumption of this company, detailed consideration has been undertaken at a group level, and group support has been confirmed as available for a period of at least 12 months from the date of approval of these financial statements.

In assessing going concern the directors have considered and modelled detailed monthly profit and loss and cashflow forecasts for a period of at least 12 months from the date of approval of these financial statements. In making the assessment the directors have considered the ongoing geopolitical situation and the ongoing economic uncertainty this is causing. The directors have taken this into account in their assessment of going concern and the forecasting of future sales, profitability, and cashflow.

The directors are confident that the group holds sufficient cash reserves to meet its liabilities as they fall due for at least 12 months from approval of these financial statements, and therefore these financial statements have been prepared on a going concern basis.

CLIMATE IMPACT PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. Income relating to contracts where the underlying carbon credits have not yet been acquired and delivered is deferred into future periods. A corresponding adjustment is made to accrued costs.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software and website	20% straight line basis
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Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Improvements to property	20% straight line basis
Plant and machinery	20% or 33% reducing balance basis
Computer equipment	33% straight line basis
Motor vehicles	25% straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Stocks

Stocks, reflecting payments for carbon credits and renewable energy products, are stated at the lower of cost and net realisable value.

CLIMATE IMPACT PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax is based on taxable profit for the year. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date. Current tax assets are recognised when tax paid exceeds the tax payable. Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

CLIMATE IMPACT PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the opinion of the directors, no judgements, estimates and assumptions made in preparing these financial statements had a material impact on the reported performance or financial position of the company.

CLIMATE IMPACT PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

3 Turnover and other revenue

	2022 £	2021 £
Turnover analysed by class of business		
Verified Emission Reduction (VERs) sales	19,434,225	16,745,211
Management and service fees	-	42,300
	<u>19,434,225</u>	<u>16,787,511</u>
	2022 £	2021 £
Turnover analysed by geographical market		
United Kingdom	7,699,685	11,738,104
United States of America	5,852,846	2,841,600
Rest of World	5,881,694	2,207,807
	<u>19,434,225</u>	<u>16,787,511</u>

4 Exceptional items

	2022 £	2021 £
Expenditure		
Exceptional remuneration	-	3,907,129
	<u>-</u>	<u>3,907,129</u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Management	4	2
Operations	25	23
Administrative	10	5
	<u>39</u>	<u>30</u>
Total		

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	3,955,011	1,565,290
Social security costs	245,108	142,159
Pension costs	61,703	46,118
	<u>4,261,822</u>	<u>1,753,567</u>

CLIMATE IMPACT PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

6 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	-	274,399
Company pension contributions to defined contribution schemes	-	7,397
	<u>-</u>	<u>281,796</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 0 (2021 - 3).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2022 £	2021 £
Remuneration for qualifying services	n/a	110,165
Company pension contributions to defined contribution schemes	n/a	3,274
	<u>n/a</u>	<u>3,274</u>

In the current year, the directors of the company were remunerated by other group companies for their services to this company.

7 Operating profit

	2022 £	2021 £
Operating profit for the year is stated after charging/(crediting):		
Foreign exchange differences	(192,959)	66,681
Fees payable to the company's auditor for the audit of the company's financial statements	26,500	24,000
Depreciation of owned tangible fixed assets	42,110	23,527
Profit on disposal of tangible fixed assets	-	(214)
Amortisation of intangible assets	288	-
Operating lease charges	122,247	37,500
	<u>122,247</u>	<u>37,500</u>

In the statement of comprehensive income, amortisation is charged to administrative expenses.

8 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Interest on bank deposits	303	16,717
	<u>303</u>	<u>16,717</u>

CLIMATE IMPACT PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

9 Taxation

	2022 £	2021 £
Current tax		
UK corporation tax on profits for the current period	-	527,550
Adjustments in respect of prior periods	(20,324)	(946)
Total current tax	(20,324)	526,604
Deferred tax		
Origination and reversal of timing differences	20,006	358,759
Adjustment in respect of prior periods	-	(1,161)
Total deferred tax	20,006	357,598
Total tax (credit)/charge	(318)	884,202

The total tax (credit)/charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	2,835,777	3,150,001
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	538,798	598,500
Tax effect of expenses that are not deductible in determining taxable profit	162	742,686
Tax effect of income not taxable in determining taxable profit	(942)	-
Adjustments in respect of prior years	(20,324)	(946)
Group relief	(524,218)	(454,877)
Permanent capital allowances in excess of depreciation	(2,716)	-
Deferred tax adjustments in respect of prior years	-	(1,161)
Remeasurement of deferred tax for changes in tax rates	8,922	-
Taxation (credit)/charge for the year	(318)	884,202

Factors that may affect future tax charges

On 3 March 2021, the UK Government announced an increase in the main rate of corporation tax from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021.

CLIMATE IMPACT PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

10 Intangible fixed assets

	Software and website £
Cost	
Additions	11,601
At 31 March 2022	11,601
Amortisation and impairment	
Amortisation charged for the year	288
At 31 March 2022	288
Carrying amount	
At 31 March 2022	11,313
At 31 March 2021	-

11 Tangible fixed assets

	Improvements to property £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2021	1,143	67,038	107,384	64,000	239,565
Additions	-	4,367	43,275	51,040	98,682
At 31 March 2022	1,143	71,405	150,659	115,040	338,247
Depreciation and impairment					
At 1 April 2021	1,143	50,185	87,198	1,625	140,151
Depreciation charged in the year	-	8,536	18,860	14,714	42,110
At 31 March 2022	1,143	58,721	106,058	16,339	182,261
Carrying amount					
At 31 March 2022	-	12,684	44,601	98,701	155,986
At 31 March 2021	-	16,853	20,186	62,375	99,414

12 Stocks

	2022 £	2021 £
Carbon credits and renewable energy products	3,477,515	351,233

CLIMATE IMPACT PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

13 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	6,066,863	6,589,277
Amounts owed by group undertakings	5,995,386	1,343,503
Other debtors	290,568	714,389
Prepayments and accrued income	59,262	50,494
	<u>12,412,079</u>	<u>8,697,663</u>
Amounts falling due after more than one year:		
	2022 £	2021 £
Amounts owed by group undertakings	<u>5,171,013</u>	<u>5,171,013</u>
Total debtors	<u>17,583,092</u>	<u>13,868,676</u>

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	699,848	397,121
Amounts owed to group undertakings	733,333	-
Corporation tax	60,225	682,076
Other taxation and social security	242,350	233,510
Other creditors	203,248	291,740
Accruals and deferred income	18,056,070	7,845,624
	<u>19,995,074</u>	<u>9,450,071</u>

15 Provisions for liabilities

	Notes	2022 £	2021 £
Deferred tax liabilities	16	<u>37,175</u>	<u>17,169</u>

CLIMATE IMPACT PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

16 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

	Liabilities 2022 £	Liabilities 2021 £
Balances:		
Fixed asset timing differences	38,997	17,169
Short term timing differences	(1,822)	-
	<u>37,175</u>	<u>17,169</u>
		2022
Movements in the year:		£
Liability at 1 April 2021		17,169
Charge to profit or loss		20,006
		<u>37,175</u>

It is not possible to state the extent to which these deferred tax liabilities are expected to reverse within the next twelve months because reversal depends on several factors which cannot be reliably estimated.

17 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	61,703	46,118

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

18 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	3	3	3	3

The company has one class of ordinary shares. The shares carry no right to fixed income. Each share carries the right to one vote at general meetings of the company.

19 Reserves

Share premium

The share premium account reflects consideration received for shares issued above their nominal value, net of transaction costs.

CLIMATE IMPACT PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

19 Reserves (Continued)

Profit and loss reserves

Profit and loss reserves represent the accumulated profits, losses and distributions of the company.

20 Financial commitments, guarantees and contingent liabilities

The company is party to a debenture dated 23 September 2020 and a supplemental debenture dated 31 March 2021 in favour of Lucid Trustee Services Limited giving fixed and floating charges over all the property or undertaking of the company in relation to the borrowings of ClimateCare Midco Limited, ClimateCare Finco Limited, ClimateCare Bidco Limited and Climate Impact Partners Limited (formerly known as ClimateCare Oxford Limited). At the year end, total borrowings covered were £50,680,310 (2021 - £30,000,000).

21 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	181,400	37,500
Between one and five years	28,500	56,250
	<u>209,900</u>	<u>93,750</u>

22 Related party transactions

The company has taken advantage of the exemption available in Section 33 of FRS102 and has not disclosed details of transactions or balances with other wholly-owned group companies.

23 Ultimate controlling party

The immediate parent company is ClimateCare Bidco Limited, a company incorporated in the United Kingdom and registered in England and Wales. The smallest group into which the results and financial position of the company are consolidated is headed by ClimateCare Midco Limited. Its financial statements can be obtained from its registered office, 112 Magdalen Road, Oxford, United Kingdom, OX4 1RQ.

The ultimate parent company is ClimateCare Holdings Limited, a company incorporated in Jersey. ClimateCare Holdings Limited heads the largest group into which the results and financial position of the company are consolidated. Its financial statements are not available to the public.

In the opinion of the directors there is no ultimate controlling party.