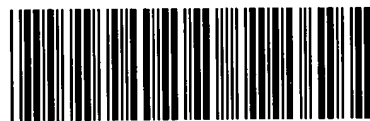


Company Registration No. 07632295 (England and Wales)

CLIMATECARE OXFORD LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2021

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CLIMATECARE OXFORD 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 Hartwell House 55-61 Victoria Street Bristol BS1 6AD

CLIMATECARE OXFORD LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present the strategic report for the year ended 31 March 2021.

Review of the business

ClimateCare Oxford Limited ('the company') 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.

ClimateCare Oxford Limited was acquired by ClimateCare Bidco Limited (company registration no. 12883665 (England and Wales)) on 13 October 2020. ClimateCare Bidco Limited acquired its investment in ClimateCare Oxford Limited by initially acquiring its parent company ClimateCare Limited.

Key performance indicators

The company's performance and results were strong for the year ended 31 March 2021, with turnover of £16.8m (2020: £11.5m), gross profit of £9.4m (2020: £7.1m), operating profit (before exceptional items) of £7.0m (2020: £5.3m) and net assets of £9.8m (2020: £7.3m).

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

These financial statements have been prepared on a going concern basis on the grounds that the directors consider that the company holds sufficient cash reserves to meet its liabilities as they fall due for at least 12 months from 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 COVID-19 situation as well as ongoing uncertainty caused by the UK exit from the European Union. The directors have taken this into account in their assessment of going concern and the forecasting of future sales, profitability, and cashflow.

On behalf of the board



E Doyle
Director

Date: 11 October 2021

CLIMATECARE OXFORD LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activities

The principal activity of the company continued to be that of the provision of carbon reduction services.

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	(Appointed 13 October 2020)
V E Lindsay	(Appointed 13 October 2020)
E Hanrahan	(Resigned 13 October 2020)
T S D Morton	(Resigned 13 October 2020)

Future developments

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

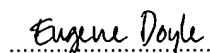
Auditor

Following the change in ownership during the year, Richardsons retired as auditor and RSM UK Audit LLP was appointed. 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



E Doyle

Director

Date: 11 October 2021

CLIMATECARE OXFORD LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

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 CLIMATECARE OXFORD LIMITED

Opinion

We have audited the financial statements of ClimateCare Oxford Limited (the 'company') for the year ended 31 March 2021 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 2021 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 CLIMATECARE OXFORD 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 CLIMATECARE OXFORD 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 internal 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.

RSM UK Audit LLP

Malcolm Pirouet FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Hartwell House
55-61 Victoria Street
Bristol
BS1 6AD
12 October 2021

CLIMATECARE OXFORD LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021**

		2021	2020
	Notes	£	as restated £
Turnover	4	16,787,511	11,518,219
Cost of sales		(7,422,375)	(4,401,197)
Gross profit		9,365,136	7,117,022
Administrative expenses		(2,324,723)	(1,810,798)
Other operating income		-	3,056
Operating profit before exceptional items		7,040,413	5,309,280
Exceptional items	5	(3,907,129)	-
Operating profit after exceptional items	8	3,133,284	5,309,280
Interest receivable and similar income	9	16,717	36,782
Profit before taxation		3,150,001	5,346,062
Tax on profit	10	(884,202)	(1,017,686)
Profit for the financial year		2,265,799	4,328,376

Company Registration No. 07632295

CLIMATECARE OXFORD LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2021**

		2021		2020
				as restated
	Notes	£	£	£
Fixed assets				
Tangible assets	11		99,414	38,871
Current assets				
Stocks	12	351,233		302,792
Debtors falling due after more than one year	13	5,171,013		-
Debtors falling due within one year	13	8,697,663		2,969,395
Cash at bank and in hand		4,908,924		10,427,086
		19,128,833		13,699,273
Creditors: amounts falling due within one year	14	(9,450,071)	(6,404,301)	
Net current assets			9,678,762	7,294,972
Total assets less current liabilities			9,778,176	7,333,843
Provisions for liabilities	15		(17,169)	(7,385)
Net assets			9,761,007	7,326,458
Capital and reserves				
Called up share capital	18		3	2
Share premium account	19		168,749	-
Profit and loss reserves	19		9,592,255	7,326,456
Total equity			9,761,007	7,326,458

The financial statements were approved by the board of directors and authorised for issue on 08 October 2021 and are signed on its behalf by:



E Doyle
Director

CLIMATECARE OXFORD LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
As restated for the period ended 31 March 2020:					
Balance at 1 April 2019		2	-	3,428,222	3,428,224
Prior period adjustment (see note 3)		-	-	(430,142)	(430,142)
As restated		2	-	2,998,080	2,998,082
Year ended 31 March 2020:					
Profit and total comprehensive income for the year (as restated)		-	-	4,328,376	4,328,376
Balance at 31 March 2020 (as restated)		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	18	1	168,749	-	168,750
Balance at 31 March 2021		3	168,749	9,592,255	9,761,007

CLIMATECARE OXFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

ClimateCare Oxford 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 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- 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

These financial statements have been prepared on a going concern basis on the grounds that the directors consider that the company holds sufficient cash reserves to meet its liabilities as they fall due for at least 12 months from 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 COVID-19 situation as well as ongoing uncertainty caused by the UK exit from the European Union. The directors have taken this into account in their assessment of going concern and the forecasting of future sales, profitability, and cashflow.

CLIMATECARE OXFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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.

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	33% on reducing balance and 20% on reducing balance
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 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 on account relating to work in progress, are stated at the lower of cost and net realisable value.

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.

CLIMATECARE OXFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

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.

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.

CLIMATECARE OXFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

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.

CLIMATECARE OXFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Prior period adjustment

In the financial statements of previous years, income was recognised when invoiced, irrespective of whether the underlying carbon credits had been acquired and delivered. Costs were accrued in respect of orders not delivered by the year end.

In the financial statements for the year ended 31 March 2021, income relating to contracts where the underlying carbon credits have not yet been acquired and delivered is now deferred into future periods. A corresponding adjustment is made to accrued costs.

The company has moved to an appropriate accounting policy, which more reliably and fairly reports the transactions, which requires a prior period adjustment to correct the previous year's treatment.

A prior period adjustment has therefore been recognised to restate the comparatives. The impact on the figures as previously reported is set out below:

Changes to the statement of financial position

	As previously reported £	Adjustment at 1 Apr 2019 £	Adjustment at 31 Mar 2020 £	As restated at 31 Mar 2020 £
Current assets				
Deferred tax asset	-	100,898	246,916	347,814
Creditors due within one year				
Accruals and deferred income	(2,001,576)	(531,040)	(1,299,562)	(3,832,178)
Net assets	<u>8,809,246</u>	<u>(430,142)</u>	<u>(1,052,646)</u>	<u>7,326,458</u>
Capital and reserves				
Profit and loss	<u>8,809,244</u>	<u>(430,142)</u>	<u>(1,052,646)</u>	<u>7,326,456</u>

Changes to the income statement

	As previously reported £	Adjustment £	As restated £
Period ended 31 March 2020			
Turnover	13,716,614	(2,198,395)	11,518,219
Cost of sales	(5,300,030)	898,833	(4,401,197)
Taxation	(1,264,602)	246,916	(1,017,686)
Profit for the financial period	<u>5,381,022</u>	<u>(1,052,646)</u>	<u>4,328,376</u>

CLIMATECARE OXFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Turnover and other revenue

	2021	2020 as restated
	£	£
Turnover analysed by class of business		
Verified Emission Reduction (VERs) sales	16,745,211	11,461,819
Management and service fees	42,300	56,400
	<u>16,787,511</u>	<u>11,518,219</u>

	2021	2020 as restated
	£	£
Turnover analysed by geographical market		
United Kingdom	11,738,104	8,755,176
United States of America	2,841,600	609,449
Rest of World	2,207,807	2,153,594
	<u>16,787,511</u>	<u>11,518,219</u>

5 Exceptional items

	2021	2020
	£	£
Expenditure		
Exceptional remuneration	3,907,129	-
	<u>3,907,129</u>	<u>-</u>

6 Employees

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

	2021 Number	2020 Number
Management	2	3
Operations	23	14
Administrative	5	4
	<u>30</u>	<u>21</u>
Total	<u>30</u>	<u>21</u>

Their aggregate remuneration comprised:

	2021	2020
	£	£
Wages and salaries	1,565,290	1,247,678
Social security costs	142,159	105,390
Pension costs	46,118	34,024
	<u>1,753,567</u>	<u>1,387,092</u>

CLIMATECARE OXFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	274,399	105,000
Company pension contributions to defined contribution schemes	7,397	-
	<u>281,796</u>	<u>105,000</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2020 - 0).

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

	2021 £	2020 £
Remuneration for qualifying services	110,165	-
Company pension contributions to defined contribution schemes	3,274	-
	<u>113,439</u>	<u>-</u>

8 Operating profit

	2021 £	2020 £
Operating profit for the year is stated after charging/(crediting):		
Foreign exchange differences	66,681	(2,925)
Fees payable to the company's auditor for the audit of the company's financial statements	24,000	15,541
Depreciation of owned tangible fixed assets	23,527	23,503
Profit on disposal of tangible fixed assets	(214)	(286)
Operating lease charges	37,500	37,500
	<u>151,494</u>	<u>73,333</u>

9 Interest receivable and similar income

	2021 £	2020 £
Interest income		
Interest on bank deposits	16,717	36,782
	<u>16,717</u>	<u>36,782</u>

CLIMATECARE OXFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

10 Taxation

	2021 £	2020 as restated £
Current tax		
UK corporation tax on profits for the current period	527,550	1,261,137
Adjustments in respect of prior periods	(946)	-
Total current tax	<u>526,604</u>	<u>1,261,137</u>
Deferred tax		
Origination and reversal of timing differences	358,759	(243,451)
Adjustment in respect of prior periods	(1,161)	-
Total deferred tax	<u>357,598</u>	<u>(243,451)</u>
Total tax charge	<u>884,202</u>	<u>1,017,686</u>

The total tax 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:

	2021 £	2020 as restated £
Profit before taxation	<u>3,150,001</u>	<u>5,346,062</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	598,500	1,015,752
Tax effect of expenses that are not deductible in determining taxable profit	742,686	1,934
Adjustments in respect of prior years	(946)	-
Group relief	(454,877)	-
Deferred tax adjustments in respect of prior years	(1,161)	-
Taxation charge for the year	<u>884,202</u>	<u>1,017,686</u>

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.

CLIMATECARE OXFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Tangible fixed assets

	Improvements to property £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2020	1,143	61,684	95,270	-	158,097
Additions	-	5,354	16,247	64,000	85,601
Disposals	-	-	(4,133)	-	(4,133)
At 31 March 2021	1,143	67,038	107,384	64,000	239,565
Depreciation and impairment					
At 1 April 2020	1,143	44,854	73,229	-	119,226
Depreciation charged in the year	-	5,331	16,571	1,625	23,527
Eliminated in respect of disposals	-	-	(2,602)	-	(2,602)
At 31 March 2021	1,143	50,185	87,198	1,625	140,151
Carrying amount					
At 31 March 2021	-	16,853	20,186	62,375	99,414
At 31 March 2020	-	16,830	22,041	-	38,871

12 Stocks

	2021 £	2020 £
Work in progress	351,233	302,792

13 Debtors

	2021 £	2020 as restated £
Amounts falling due within one year:		
Trade debtors	6,589,277	1,985,304
Amounts owed by group undertakings	1,343,503	-
Other debtors	714,389	589,073
Prepayments and accrued income	50,494	47,204
	8,697,663	2,621,581
Deferred tax asset (note 16)	-	347,814
	8,697,663	2,969,395

CLIMATECARE OXFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

13 Debtors (Continued)

	2021 £	2020 £
Amounts falling due after more than one year:		
Amounts owed by group undertakings	5,171,013	-
Total debtors	13,868,676	2,969,395

14 Creditors: amounts falling due within one year

	2021 £	2020 as restated £
Trade creditors	397,121	255,206
Amounts owed to group undertakings	-	1,448,829
Corporation tax	682,076	534,962
Other taxation and social security	233,510	41,286
Other creditors	291,740	291,840
Accruals and deferred income	7,845,624	3,832,178
	9,450,071	6,404,301

Details of the restatement to accruals and deferred income are set out in note 3.

15 Provisions for liabilities

	Notes	2021 £	2020 £
Deferred tax liabilities	16	17,169	7,385

16 Deferred taxation

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

	Liabilities 2021 £	Liabilities 2020 £	Assets 2021 £	Assets 2020 as restated £
Balances:				
Fixed asset timing differences	17,169	7,385	-	-
Short term timing differences	-	-	-	347,814
	17,169	7,385	-	347,814

CLIMATECARE OXFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16 Deferred taxation (Continued)

	2021 £
Movements in the year:	
Asset at 1 April 2020	(340,429)
Charge to profit or loss	357,598
Liability at 31 March 2021	<u>17,169</u>

The deferred tax liability set out above is expected substantially to reverse within twelve months and relates to accelerated capital allowances that are expected to mature within the same period.

17 Retirement benefit schemes

	2021 £	2020 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>46,118</u>	<u>34,024</u>

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

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	<u>3</u>	<u>2</u>	<u>3</u>	<u>2</u>

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.

On 13 October 2020, in connection with the change in ownership, the company issued one further ordinary share of £1 for total consideration of £168,750 giving rise to share premium of £168,749.

19 Reserves

Share premium

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

Profit and loss reserves

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

CLIMATECARE OXFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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 ClimateCare Oxford Limited. At the year end, total borrowings covered by these debentures were £30,000,000 (2020 - £nil).

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:

	2021 £	2020 £
Within one year	37,500	37,500
Between one and five years	56,250	93,750
	<u>93,750</u>	<u>131,250</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

At the start of the year the immediate and ultimate parent company was ClimateCare Limited, a company incorporated in Jersey, and the ultimate controlling party was Ocorian Trustees (Jersey) Limited as Trustee of Future Impact Trust.

Following the change in ownership on 13 October 2020, the immediate parent company is now 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.