

**CLIMATE BONDS INITIATIVE**

**TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2019**

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<b>Trustees</b>	Mr Nicholas Silver (Chair) Mr Paul Bodnar (appointed 24 March 2020) Mr Simon Cooper (appointed 24 March 2020) Ms Doris Honold (appointed 6 October 2020) Dr Karl Mallon Mr Bryan Martel Mr Nick Robins (resigned 13 May 2019) Prof Cynthia Williams
<b>CEO</b>	Mr Sean Kidney
<b>Company Number</b>	07455730
<b>Charity Number</b>	1154413
<b>Registered Office</b>	72 Muswell Hill Place London N10 3RR
<b>Bankers</b>	HSBC UK Bank plc 1 Centenary Square Birmingham B1 1HQ
<b>Auditor</b>	PKF Littlejohn LLP 15 Westferry Circus Canary Wharf London E14 4HD

The Trustees are pleased to present the audited consolidated Financial Statements of Climate Bonds Initiative ('CBI', 'the Charity') together with the annual report for the year ended 31 December 2019. The Financial Statements have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (FRS102).

The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and provisions of the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) (applicable from 1 January 2019).

The charitable company qualifies as small under section 383, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not required.

### Objectives and Activities

The **objectives** of the Charity are the preservation and conservation of the environment (in particular but not exclusively) by:

- serving as a catalyst to mobilise the investment required globally to address the threat of catastrophic climate change;
- working to align government policy, industry development and institutional finance toward the timely and affordable deployment of a global low carbon economy; and
- ensuring the environmental credibility of debt issuance and investment.

In summary, the Charity carries out the following general **activities** in direct support of the objectives:

1. **Advocacy**- to encourage and enthuse the global financial community, industries and governments to support the transition to a low carbon economy.
2. **Capacity-building and training** - for the wide range of stakeholders including governments to actively participate and help drive the development of the green bonds market.
3. **Stakeholder engagement and events** - to create awareness and knowledge of the opportunity of the green bonds market and trends for future growth.

In more detail, the activities that the charity carries out to support the accomplishment of these objectives are organised under the following seven work streams:

1. **Standards** - develops Paris aligned sector specific criteria for the International Climate Bonds Standard, which serves as a tool for investors on assessing the credibility of green bonds globally. The team manages and coordinates the development of the criteria for key sectors from the initial scientific analysis through to the finalisation of internationally accepted definitions of the Climate Bonds Standard.
2. **Certification** - manages the application of the certification label for green bonds that have been independently verified to be in compliance with the Climate Bonds Standard.
3. **Market Intelligence** - monitors and reports on outstanding bonds where proceeds are going to climate change solutions globally and provides commentary on the environmental relevance of underlying assets and projects linked to green bonds.
4. **Policy** - carries out policy analysis and develops recommendations for Governments and other public sector bodies that will foster the growth of the green bonds market.
5. **Partnerships** – engagement, education and support for investors, banks and others to promote capital flows to climate change solutions, particularly through access to green bond data and analysis.
6. **Market development** - government and financial sector regulator support and investor education around the world.
7. **Communications & Media** - manages external communications, media relations, brand and public profile

## Public Benefit Statement

The Charity has regard to the guidance on public benefit published by the Charity Commission.

Climate change is an enormous worldwide challenge that will affect nations, communities and societies. Addressing that challenge requires huge levels of financing immediately, as well as in the near to medium future. Climate and green bonds have the potential to make a major contribution to that financing. For the climate bonds market to grow, investments need to be underpinned by confidence in the green credentials of bonds. The Charity manages the Climate Bond Standard which plays a vital role in ensuring that confidence.

Details of activities in furtherance of public benefit are set out in this report.

## Principal Risks and Uncertainties

The Trustees have assessed the major risks that the Charity faces in relation to its operations and finances and are satisfied that the Charity is taking the action necessary to mitigate its exposure to these risks. A risk assessment register is updated on a regular basis.

The main risks and uncertainties facing the Charity relate to:

- Financial stability: That the Charity's sources of income continue in the future requires maintaining a range of income streams, maintaining good relationships with the Charity's financial supporters, continuing to provide guidance and encouragement that is respected and well-received by the international financial markets and governmental regulators. The Trustees recognise that at the balance sheet date the Charity had negative net assets and hence solvency and liquidity risks exist. However, a surplus in 2019 and further positive developments in 2020 mean that this risk is lower than it was. The Going Concern accounting policy in section 1 of the financial statements refers.
- Lack of engagement from potential bond issuers: if bond issuers do not recognise the value of issuing green bonds the Charity's overall objective to stimulate green growth is diminished.
- Lack of engagement from other financial market stakeholders such as investors, underwriting banks and domestic/international development banks.
- Lack of participation by policymakers and regulators as a result of disinterest in engaging with the Charity's outputs and encouragements could put the Charity's leading international standing at risk.

## Achievements and Performance

### Review of activities in the year

The main activities in the year included:

- Development of the European Union program around a Green Taxonomy and Green Bond Standards
- Development of green finance markets with extensive activities in China, India and Brazil, and new programmes in Nigeria, Mexico, Kenya and Colombia.
- Developing Climate Bond Standard V3.0 and preparing for future expansion of the Climate Bonds Taxonomy.
- Work by the Standards team with experts around the world to publish sector-specific criteria for green bonds.
- Work to develop Climate Resilience Principles for use by governments, investors and the banking sector.
- Certification of green bonds, which has grown significantly throughout the year.
- Work to develop green investment in ASEAN (Association of Southeast Asian Nations) with a focus on green and climate resilient infrastructure.
- Supporting the Japan Green Bond Issuance Platform and Hong Kong SAR Green Bond Program.
- Influencing Central Bank and Regulator policy towards greening the global financial system.
- Work to develop green sukuk (sharia-compliant bond-like instruments used in Islamic finance markets) in GCC (Gulf Cooperation Council) countries and in SE Asia, notably in Malaysia and Indonesia.
- Work to popularise green finance milestones and frame future global investment objectives and goals.
- An international conference was held in London to discuss the emerging and issues concerning green finance, climate investment bond issuance and to encourage market growth.

**Achievements and Performance (continued)**

The Charity has carried out high level collaborations with:

- Directorate-General FISMA, the EU Commission department responsible for EU policy on banking and finance.
- Financial sector regulators, for example the international Sustainable Banking Network and the ASEAN Capital Markets Forum (of regulators).
- The international Capital Markets Association (ICMA) Green Bond Principles.
- NGO's such as the Natural Resources Defense Council and the World Resources Institute.
- Government ministries and regulators, such as the Ministry of Environment in Japan (MOEJ), the Ministry of Infrastructure in Brazil and the Hong Kong Monetary Authority.

The primary impact of the Charity has been in helping to promote and support the rapid growth that has occurred since 2015 in green bond markets around the world.

**Key Performance Indicators (KPI's)**

- The Charity is on course to deliver criteria for the Climate Bonds Standard across the key sectors identified as critical to achieving the targets set by the Paris Agreement.
- The level of green bonds certified under the Climate Bonds Standard continues to increase.
- Our Market Intelligence team maintains professional monitoring of and provides relevant, timely reports on the international bond markets to quantify the development and issuance of green bonds, and other green investment instruments.
- CBI maintains its high standards of preparation, publication and presentation of policy analyses.
- CBI continue to grow the breadth and depth of its partnerships with investors, banks and others.
- We continue to increase the geographical reach of our work.
- The Charity continues to lift CBI's global brand recognition, profile and share of voice on key issues.

**Financial Review**

For the year ended 31 December 2019, the Charity had income of £3.6M (2018: £2.5M) and incurred expenditure of £3.6M (2018: £2.7M).

CBI's success continues to be built upon the breadth and depth of relationships with investors, banks and others as well as extending the geographical reach of the organisation's work.

Our net surplus for the year 2019 was £67k (2018: deficit £204k). Whilst this is not a large number, it does represent a trend in the right direction.

Net liabilities of the Charity at the year-end amounted to £102k (2018: £169k) with this fund deficit carried forward predominantly in unrestricted funds. Restricted income recognised in the year has been spent with a £7k (2018: £nil) carry forward balance.

Whilst the overall situation is far from ideal, the Trustees note that the numbers are improving. There are clear plans to improve the financial health of the charity in the coming months and years.

**Reserves policy**

The Board has agreed that the Charity, in addition to any restricted reserves and commitments to, and investment in, tangible fixed assets, should aim to have unrestricted free reserves of circa three months of current total unrestricted expenditure so that the Charity's activities could continue in the event of any significant short-term funding shortfalls.

Unrestricted reserves at the year-end showed a deficit of £108k (2018: deficit £169k). On the foregoing basis, this represents a shortfall in expected minimum net free reserves of approximately £664k (2018: shortfall £636k)

During the year, specific actions were put in place to address the shortfall in net free reserves and the Board is hopeful that the trajectory towards full compliance with the reserves policy is well underway. The Board aims to show positive free reserves by the end of 2020.

**Future Plans**

The Charity plans to continue the growth of its activities significantly in the coming years: the global consequences are too great not to do so. In particular, programmes that support a rapidly increasing flow of capital to climate change solutions in line with the Paris Agreement will be prioritised.

The Charity's three-year strategy is as follows:

<b>Mission</b>	<b>Mobilise global capital for climate action</b>		
<b>Strategic Objectives</b>	<ol style="list-style-type: none"> <li>1. Enable governments to act on their climate commitments</li> <li>2. Focus investment on substantive and credible climate solutions</li> <li>3. Support creation of new markets for climate-aligned investment</li> </ol>		
<b>Priorities</b>	<p><b>Higher priority</b> <i>Allocate additional resources</i></p> <hr style="border-top: 1px dashed #000;"/> <p><b>Themes:</b></p> <ul style="list-style-type: none"> <li>• Brown-to-Green transition</li> <li>• Climate resilience</li> </ul> <p><b>Activities:</b></p> <ul style="list-style-type: none"> <li>• CBI standard development</li> <li>• Standard implementation</li> <li>• Market intelligence</li> </ul> <p><b>Customers</b></p> <ul style="list-style-type: none"> <li>• Public sector</li> <li>• Large investors</li> </ul> <p><b>Regions</b></p> <ul style="list-style-type: none"> <li>• EU, China, India</li> </ul>	<p><b>Medium priority</b> <i>Flex resources depending on financial sustainability</i></p> <hr style="border-top: 1px dashed #000;"/> <p><b>Activities:</b></p> <ul style="list-style-type: none"> <li>• Certification</li> <li>• Training</li> <li>• Policy and marketing reports</li> <li>• Flagship issuance support</li> <li>• Conferences (speaking)</li> </ul> <p><b>Customers</b></p> <ul style="list-style-type: none"> <li>• Development banks</li> <li>• Banks</li> <li>• Issuers</li> </ul> <p><b>Regions</b></p> <ul style="list-style-type: none"> <li>• ASEAN, Latin America (keep current level of activity)</li> <li>• US (engagement with donors &amp; investors only)</li> </ul>	<p><b>Lower priority</b> <i>Rationalise unless financially beneficial</i></p> <hr style="border-top: 1px dashed #000;"/> <p><b>Themes:</b></p> <ul style="list-style-type: none"> <li>• Pure "Green", i.e. not Brown-to-Green</li> </ul> <p><b>Activities:</b></p> <ul style="list-style-type: none"> <li>• Conference hosting (scale back unless substantially 'profitable')</li> </ul> <p><b>Regions</b></p> <ul style="list-style-type: none"> <li>• Africa (maintain low presence)</li> </ul>

**Post Balance Sheet events**

The Covid-19 pandemic that hit in March 2020 has meant that the charity will likely see a decrease in both income and expenditure in 2020 of the order of 20% or so. The impact of the Covid-19 pandemic has meant in person attendance at key interventions has necessarily been reduced. Through the use of technology however the charity, like many organisations, has learned to work with 'the new norms', managed to maintain much of its global activities and continued to build momentum towards global climate change.

## Structure, Governance and Management

Climate Bonds Initiative is a company limited by guarantee and a registered charity. The Charity's memorandum and articles of association are its primary governing documents. The Trustees of CBI are also the directors of the charitable company for the purposes of company law. CBI has a wholly owned subsidiary, Climate Bonds Services Limited, which is included in the consolidated financial statements.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 2.

### Trustees

Trustees are elected by recommendation from existing charity trustees and by confirmation by the Chair of the Board. An appropriate vetting process is overseen by the Chair.

### Key management personnel

The key management personnel of the group consist of the Trustees, the Chief Executive Officer and an Executive Management team of:

- Chief Executive Officer: Sean Kidney\*\*
- Deputy Chief Executive & Director of Market Development: Justine Leigh-Bell\*\*
  
- Director of Operations: Barbara Sanderson (resigned 2019)
- Director of Operations: Anne Murrell, from February 2020
- Director of Finance: John Northrop (resigned 2019)
- Director of Finance: Tammy Ariaratnam (January 2020 - October 2020)
- Director Fundraising and Partnerships: Serena Vento (resigned 2019)
- Director of Client Services: Claire Berson, from September 2020

### Related parties

In 2019, CBI worked on a specific project with an organisation called XDI, where Karl Mallon, one of the CBI Trustees, is a director. Transaction details are disclosed in note 20 of the financial statements.

### Trustees' Responsibilities in Relation to the Financial Statements

The Trustees (who are also Directors of the company for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these Financial Statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS102);
- Make judgements and 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 charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of Information to the Auditors**

We, the Directors of the charitable company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- we have taken all steps that we ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

**Auditor**

PKF Littlejohn LLP was appointed as auditor during 2020 and have indicated their willingness to continue in office.

**Approval**

This report was approved by the Board on 14 December 2020 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'N. Silver', with a horizontal line underneath it.

**Nicholas Silver, Trustee**

**Independent Auditor's Report to the Members of Climate Bonds Initiative****Opinion**

We have audited the financial statements of Climate Bonds Initiative (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2019 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets and the Consolidated Cash Flow Statement 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 group's and the parent charitable company's affairs as at 31 December 2019, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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 that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating 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 directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charitable 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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.

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](http://www.frc.org.uk/auditorsresponsibilities)<http://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>[https://www.frc.org.uk/auditors/audit-assurance/standards-and-guidance/2010-ethical-standards-for-auditors-\(1\)](https://www.frc.org.uk/auditors/audit-assurance/standards-and-guidance/2010-ethical-standards-for-auditors-(1)). This description forms part of our auditor's report.

**Use of our report**

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



**Alastair Duke (Senior Statutory Auditor)**  
**For and on behalf of PKF Littlejohn LLP**  
**Statutory Auditor**

15 Westferry Circus  
Canary Wharf  
London E14 4HD

**Date:** 18 December 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<b>Income from:</b>					
Donations	2	14,685	-	14,685	30,000
Charitable activities	3	1,949,905	1,374,310	3,324,215	2,450,023
Bank interest	4	30	-	30	14
Other trading income	5	297,500	-	297,500	-
		<u>2,262,120</u>	<u>1,374,310</u>	<u>3,636,430</u>	<u>2,480,037</u>
<b>Total Income</b>					
<b>Expenditure on:</b>					
Charitable activities	6	1,904,022	1,378,050	3,282,072	2,684,219
Trading activities	5	287,056	-	287,056	-
		<u>2,191,078</u>	<u>1,378,050</u>	<u>3,569,128</u>	<u>2,684,219</u>
<b>Total expenditure</b>					
<b>Net (expenditure) / income</b>	10	71,042	(3,740)	67,302	(204,182)
Transfers between funds		(10,315)	10,315	-	-
		<u>60,727</u>	<u>6,575</u>	<u>67,302</u>	<u>(204,182)</u>
<b>Net Movement in Funds</b>					
<b>Reconciliation of Funds:</b>					
Total funds brought forward		(169,143)	-	(169,143)	35,039
		<u>(108,416)</u>	<u>6,575</u>	<u>(101,841)</u>	<u>(169,143)</u>
<b>Total funds carried forward</b>					

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on page 15 to 28 form part of these Financial Statements.

	Notes	Consolidated		Charity	
		2019 £	2018 £	2019 £	2018 £
<b>Fixed Assets</b>					
Investments	13	-	-	100	-
Intangible assets	14	66,750	104,930	66,750	104,930
Tangible assets	15	30,875	18,254	30,875	18,254
		<u>97,625</u>	<u>123,184</u>	<u>97,725</u>	<u>123,184</u>
<b>Current Assets</b>					
Debtors	16	635,058	359,324	577,547	359,324
Cash		366,268	453,888	366,268	453,888
		<u>1,001,326</u>	<u>813,212</u>	<u>943,815</u>	<u>813,212</u>
<b>Creditors:</b> amounts falling due within one year	17	(1,200,792)	(1,105,539)	(1,143,381)	(1,105,539)
<b>Net Current Liabilities</b>		<u>(199,466)</u>	<u>(292,327)</u>	<u>(199,566)</u>	<u>(292,327)</u>
<b>Net Liabilities</b>		<u>(101,841)</u>	<u>(169,143)</u>	<u>(101,841)</u>	<u>(169,143)</u>
<b>Charity Funds</b>	18				
Unrestricted funds		(108,416)	(169,143)	(108,416)	(169,143)
Restricted funds		6,575	-	6,575	-
<b>Total Funds</b>		<u>(101,841)</u>	<u>(169,143)</u>	<u>(101,841)</u>	<u>(169,143)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. The financial statements were approved and authorised by the Board of Trustees on 14 December 2020 and were signed on its behalf by:



**Nicholas Silver**

Trustee

The notes on pages 15 to 28 form part of these Financial Statements.

	Notes	2019 £	2018 £
<b>Net cash flow provided by operating activities</b>	20	(63,739)	507,057
<b>Cash flow from investing activities</b>			
Payments to acquire tangible fixed assets		(23,911)	(8,579)
Payments to acquire intangible assets		-	(114,290)
Bank interest		30	14
<b>Net cash flow used in investing activities</b>		(23,881)	(122,855)
<b>Change in cash and cash equivalents in the year</b>		(87,620)	304,202
<b>Cash and cash equivalents at 1 January</b>		453,888	69,685
<b>Cash and cash equivalents at 31 December</b>		366,268	453,888

The notes on pages 15 to 28 form part of these Financial Statements.

## 1. Summary of significant accounting policies

The significant accounting policies applied in the preparation of these financial statements are set out below. The accounting policies have been applied consistently throughout the year and in the preceding year, unless otherwise stated.

### General Information

Climate Bonds Initiative is a company limited by guarantee and is registered with the Charity Commission (charity number 1154413) and the Registrar of Companies (company number 07455730) in England and Wales. In the event of the Charity being wound up, the liability in respect of the guarantee is limited £1 per member of the Charity. The address of the registered office is shown under Charity Reference and Administrative Details.

### Basis of Preparation of Accounts

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements consolidate Climate Bonds Initiative and its wholly owned subsidiary, Climate Bonds Services Limited.

The financial statements are prepared in sterling which is the functional currency of the charity.

### Going Concern

The financial statements have been prepared on a going concern basis as the trustees consider that no material uncertainties exist concerning the charity's ability to operate for the foreseeable future. The trustees recognise that, at the balance sheet date, the charity had negative net assets, and hence solvency and liquidity risks exist.

The trustees have considered the charity's ability to meet its liabilities as they arise over the foreseeable future to December 2021, being 12 months from the date of approval of these financial statements. Accordingly, financial forecasts and cash flow projections have been prepared for this period.

The trustees recognise that in a period of growth there are some uncertainties that exist in the assumptions underlying these forecasts, principally concerning income generation and have identified actions to be taken as appropriate risk mitigation should these assumptions and forecasts not be adequately achieved.

### Income Recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, after any performance conditions have been met, when the amount can be measured reliably and when it is probable that the income will be received.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

The Charity received government and other grants in respect of furthering its charitable objectives. Income from government and other grants are recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Verification fees, certification fees, reports income and events income are recognised in full when the charity is entitled to the income.

**1. Accounting Policies (continued)**

Annual partner subscriptions are recognised 50% immediately and the balance over a 12-month period to which they relate from the month of receipt, with the balance at the year-end included as deferred income.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

On receipt, donated professional services and donated facilities are recognised as gifts in kind on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services of facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**Expenditure Recognition**

All expenditure is accounted for on an accruals basis and has been classified under the headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. Redundancy and termination payments are recognised immediately upon becoming a constructive obligation. Expenditure is categorised under the following headings:

- Costs of raising funds includes are those costs incurred in attracting donations, and those incurred in trading activities that raise funds; and
- Expenditure on charitable activities includes expenditure associated with the main objectives of the charity and include both direct costs and support costs relating to these activities.

**Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office premises costs, finance, HR, IS/IT, legal and governance costs and management and administration costs. They are incurred directly and necessarily in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with use of the resources.

Governance costs are those incurred in connection with the running of the Charity and compliance with constitutional and statutory requirements.

The analysis of these costs is included in note 8.

**Intangible fixed assets**

Intangible fixed assets are assets that do not have physical substance but are identifiable and are controlled by the charity through custody or legal rights. Intangible fixed assets are recorded at historical cost and amortised on a straight-line basis over 4 years.

**Tangible Fixed Assets and Depreciation**

Tangible fixed assets are stated at cost or net realisable value after depreciation. The cost of minor additions or those costing less than £2,000 are not capitalised. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on a straight-line basis:

Plant and machinery	20%
Office equipment	20%

## 1. Accounting Policies (continued)

### Debtors and creditors receivable / payable within one year

Debtors are recognised when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

Creditors are recognised when the Charity has a present or constructive obligation resulting from a past event and the settlement is expected to result in an outflow of economic benefits.

### Foreign Currency

The consolidated financial statements are presented in UK pounds sterling (£'s), the functional currency of the charity. For project planning purposes, the charity uses a standard exchange rate for the year. All transactions denominated in foreign currencies are translated at the spot rate, the actual rate achieved at the time of the transaction.

All balance sheet balances are translated at the prevailing year-end rate. Any gains or losses resulting from exchange rates are recognised through the SoFA.

### Funds and Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objective of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Designated funds are unrestricted funds that have been ring-fenced for specific initiatives supporting our strategic objectives. Expenditure against these initiatives is included as Unrestricted Expenditure in the SoFA and a corresponding adjustment made between General and Designated Funds at year-end.

### Employee Benefits

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

### Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010. It therefore meets the definition of a charitable company for UK corporation tax purposes.

### Financial instruments

The Charity only holds basic financial instruments. The financial assets and financial liabilities of the Charity are as follows:

- Debtors – trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at transaction cost. Prepayments are not financial instruments.
- Cash at bank – is classified as a basic financial instrument and is measured at face value.
- Liabilities – trade creditors, accruals and other creditors are classified as financial instruments, and are measured at transaction cost. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability as the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

**Critical accounting estimates and areas of judgement**

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

- Allocation of support costs
- Depreciation rates for tangible fixed assets
- 75% capitalisation of graphic design (or front-end development) of website, and subsequent amortisation.
- Intercompany recharge

## 2. Income from donations

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Donations	14,685	-	14,685	30,000

## 3. Income from Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Projects, advocacy and guidance	1,949,905	1,374,310	3,324,215	2,450,023

## 4. Bank interest

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Bank interest	30	-	30	14

## 5. Other trading income

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Trading	297,500	-	297,500	-

Climate Bond Initiative has 100% control of Climate Bond Services Limited (Company registration number 11715956), a company registered by share capital and whose registered office is 40 Bermondsey Street, London, SE1 3UD. The subsidiary year-end is also 31 December 2019. The company was incorporated on 6 December 2018.

The major activities of the company comprised the hosting of the CBI annual conference for which commercial sponsorship was obtained. The income for CBS does not include individual attendee ticketed income, which is included in CBI. The summary financial performance of the subsidiary for the period ended 31 December 2019 is as follows.

	2019 £
Turnover	297,500
Cost of sales	(22,498)
Administrative expenses	(264,558)
	-----
Operating profit	10,444
Gift aid to parent	(10,444)
	-----
Result for the period	-
	-----
Current assets	57,511
Current liabilities	(57,411)
	-----
Net assets	100
	-----

## 6. Expenditure on Charitable Activities

	Direct Costs £	Support Costs £	Total 2019 £	Total 2018 £
Projects, advocacy and guidance	2,187,784	1,094,288	<b>3,282,072</b>	2,684,219
Totals 2018	<u>2,021,575</u>	<u>662,644</u>	<u>2,684,219</u>	

## 7. Direct costs

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Consultancy costs	326,438	635,045	<b>961,483</b>	877,829
Other direct costs	-	16,048	<b>16,048</b>	12,116
Travel and subsistence	156,266	123,408	<b>279,674</b>	231,479
Staff costs	652,432	278,147	<b>930,579</b>	900,151
<b>Total</b>	<u>1,135,136</u>	<u>1,052,648</u>	<u><b>2,187,784</b></u>	<u>2,021,575</u>

## 8. Support costs

	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Conference event costs	99,755	7,928	<b>107,683</b>	55,930
Establishment and general administration	244,977	171,992	<b>416,969</b>	373,838
Support staff costs	326,215	139,073	<b>465,288</b>	150,985
Governance costs	51,128	3,750	<b>54,878</b>	37,402
Depreciation	11,290	-	<b>11,290</b>	6,310
Amortisation	38,180	-	<b>38,180</b>	38,179
<b>Total</b>	<u>771,545</u>	<u>322,743</u>	<u><b>1,094,288</b></u>	<u>662,644</u>

## 9. Governance costs

	Total 2019 £	Total 2018 £
Accountancy fees	43,178	27,402
Auditor's remuneration – audit fees	11,700	10,000
	<u>54,878</u>	<u>37,402</u>

**10. Net income for the year**

The net income is stated after charging:

	<b>Total 2019</b>	<b>Total 2018</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	11,290	6,310
Amortisation of intangible fixed assets	38,180	38,170
Net losses on foreign exchange	40,268	28,037
Operating lease payments	168,336	168,336
	<u>                    </u>	<u>                    </u>

**11. Staff costs and employee benefits**

The total staff costs and employee benefits were as follows:

	<b>Total 2019</b>	<b>Total 2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,235,164	940,395
Social security	132,607	101,456
Defined contribution pension costs	28,095	9,285
	<u>                    </u>	<u>                    </u>
	1,395,866	1,051,136
	<u>                    </u>	<u>                    </u>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	<b>Number of employees</b>	
	<b>2019</b>	<b>2018</b>
£60,001 to £70,000	3	1
£70,001 to £80,000	1	1

During the year the charity paid £3,035 under a defined contribution pension scheme on behalf of the staff members earning over £60,000.

The average monthly number of employees during the year was as follows:

	<b>Number of employees</b>	
	<b>2019</b>	<b>2018</b>
Staff	34	28
	<u>                    </u>	<u>                    </u>

**12. Trustees' and key management personnel remuneration and expenses**

No trustees received any remuneration or reimbursement of travel expenses from the charity during the year (2018 – none).

The trustees consider the board of trustees, the Chief Executive and the Deputy Chief Executive & Director of Market Development as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis.

The total amount of employee benefits received by key management personnel during the year was £169,850.

## 13. Investments (Charity)

<b>Cost</b>	<b>2019 £</b>	<b>2018 £</b>
Investment in subsidiary	100	-
	<hr/>	<hr/>
	100	-
	<hr/>	<hr/>

## 14. Intangible Fixed Assets (Group and Charity)

<b>Cost</b>	<b>Website £</b>	<b>Total £</b>
At beginning of year	152,717	152,717
Additions	-	-
Disposals	-	-
	<hr/>	<hr/>
At end of year	152,717	152,717
	<hr/>	<hr/>
<b>Amortisation</b>		
At beginning of year	47,787	47,787
Charge for the year	38,180	38,180
Released on disposals	-	-
	<hr/>	<hr/>
At end of year	85,967	85,967
	<hr/>	<hr/>
<b>Net Book Value</b>		
At end of year	66,750	66,750
	<hr/>	<hr/>
At beginning of year	104,930	104,930
	<hr/>	<hr/>

## 15. Tangible Fixed Assets (Group and Charity)

<b>Cost</b>	<b>Plant &amp; machinery £</b>	<b>Office &amp; IT equipment £</b>	<b>Total £</b>
At beginning of year	424	34,617	35,041
Additions	-	23,911	23,911
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At end of year	424	58,528	58,952
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At beginning of year	424	16,363	16,787
Charge for the year	-	11,290	11,290
Released on disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At end of year	-	27,653	28,077
	<hr/>	<hr/>	<hr/>
<b>Net Book Value</b>			
At end of year	-	30,875	30,875
	<hr/>	<hr/>	<hr/>
At beginning of year	-	18,254	18,254
	<hr/>	<hr/>	<hr/>

## 16. Debtors

	<b>Group</b>		<b>Charity</b>	
	<b>2019 £</b>	<b>2018 £</b>	<b>2019 £</b>	<b>2018 £</b>
Trade debtors	285,469	235,985	224,058	235,985
Other debtors	115,867	1,631	62,356	1,631
Prepayments and accrued income	233,722	121,708	233,722	121,708
Intercompany debtor	-	-	57,411	-
	<hr/>	<hr/>	<hr/>	<hr/>
	635,058	359,324	577,547	359,324
	<hr/>	<hr/>	<hr/>	<hr/>

## 17. Creditors: Amounts Falling Due Within One Year

	<b>Group</b>		<b>Charity</b>	
	<b>2019 £</b>	<b>2018 £</b>	<b>2019 £</b>	<b>2018 £</b>
Trade creditors	209,058	162,799	209,058	162,799
Social security and other taxes	53,144	64,703	53,144	64,703
Other creditors	114,686	(2,046)	57,175	(2,046)
Accruals and deferred income*	823,904	880,083	823,904	880,083
Intercompany creditor	-	-	100	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,200,792	1,105,539	1,143,381	1,105,539
	<hr/>	<hr/>	<hr/>	<hr/>

**\*Deferred income:**

Brought forward at 1 January 2019	£	817,073
Resources deferred during the year		684,442
Amounts released from previous years		(817,073)
		<hr/>

Carried forward at 31 December 2019

684,442

## 18. Fund reconciliation

Current Year	Balance as at 1.1.19	Income	Expenditure costs	Transfers	Balance as at 31.12.19
	£	£	£	£	£
European Commission (EuroPace)	-	58,617	(59,567)	950	-
UNDP – CAP	-	4,884	(5,761)	877	-
G & B Moore Foundation	-	327,630	(323,142)	-	4,488
Oak Foundation	-	147,981	(148,163)	182	-
Rockefeller Foundation – Rev303	-	86,382	(86,870)	488	-
Rockefeller Foundation – INF311	-	674	(674)	-	-
Hewlett Foundation	-	9,841	(10,131)	290	-
World Resources Institute (WRI)	-	46,833	(54,278)	7,445	-
FCO India	-	-	(83)	83	-
BEIS China	-	172,388	(168,731)	-	3,657
BEIS Columbia	-	207,685	(208,560)	-	(875)
BEIS Mexico	-	92,853	(97,764)	-	(4,911)
ECF ASEAN	-	218,542	(214,326)	-	4,216
<b>Total restricted funds</b>	-	1,374,310	(1,378,050)	10,315	6,575
General Funds	(169,143)	2,262,120	(2,191,078)	(10,315)	(108,416)
<b>Total unrestricted funds</b>	(169,143)	2,262,120	(2,191,078)	(10,315)	(108,416)
<b>Total funds</b>	(169,143)	3,636,430	(3,569,128)	-	(101,841)

Prior Year	Balance as at 1.1.18 £	Income £	Expenditure costs £	Balance as at 31.12.18 £
European Commission (EuroPace)	-	40,071	(40,071)	-
UNDP – CAP	-	33,519	(33,519)	-
G & B Moore Foundation	-	228,757	(228,757)	-
Fredrick Mulder Charitable Trust	-	50,000	(50,000)	-
Oak Foundation	-	147,781	(147,781)	-
Rockefeller Foundation – Rev303	-	141,741	(141,741)	-
Rockefeller Foundation – INF311	-	55,828	(55,828)	-
Hewlett Foundation	-	12,607	(12,607)	-
World Resources Institute (WRI)	-	4,380	(4,380)	-
ClimateWorks	-	107,306	(107,306)	-
Climate-KIC – PGB4M	-	26,493	(26,493)	-
Climate-KIC – EH FC4S	-	9,657	(9,657)	-
Climate-KIC – Climate Risk Assessment	-	87,743	(87,743)	-
Climate-KIC – GreenFrame 1	-	7,765	(7,765)	-
Climate-KIC – GreenFrame 2	-	8,129	(8,129)	-
European Commission (SecureChain)	-	4,387	(4,387)	-
FCO India	-	50,923	(50,923)	-
FCO China	-	23,104	(23,104)	-
European Commission (SEI)	-	9,742	(9,742)	-
<b>Total restricted funds</b>	-	1,049,933	(1,049,933)	-
General Funds	35,039	1,430,104	(1,634,286)	(169,143)
<b>Total unrestricted funds</b>	35,039	1,430,104	(1,634,286)	(169,143)
<b>Total funds</b>	35,039	2,480,037	(2,684,219)	(169,143)

**Purposes of Restricted Funds:****European Commission (EuroPace)**

European Commission under its Horizon 2020 Programme funded the project “EuroPACE – Developing, piloting and standardising on-tax financing for residential energy efficiency retrofits in European cities and regions” from March 2018 to February 2021 in a total amount up to €175,775.

**UNDP – CAP**

UNDP funded the project “Climate Aggregation Platform for Developing Countries (CAP)” from June 2017 to June 2020 in a total amount up to \$881,000.

**G & B Moore Foundation**

G & B Moore Foundation funded the project “Driving the Development of Green Agri Bonds in Brazil” from December 2017 to December 2020 in a total amount up to \$1,100,516.

**Fredrick Mulder Charitable Trust**

Fredrick Mulder have funded a General Purpose Grant for CBI from October 2017 to September 2020 in a total amount up to £150,000

**Oak Foundation**

Oak Foundation funded the project “Growing the Global Green Bonds Market” from September 2016 to July 2019 in a total amount up to £502,178.

**Rockefeller Foundation – Rev303**

Rockefeller Foundation funded the standards project “Climate Bonds Standards and Definitions to Support Market Confidence” from August 2017 to May 2020 in a total amount up to \$400,000.

**Rockefeller Foundation – INF311**

Rockefeller Foundation funded the policy project “Green Aggregation and Securitization in Emerging Markets and Developing Countries” from November 2015 to June 2017 (extended to June 2019) in a total amount up to \$510,000.

**Hewlett Foundation**

Hewlett Foundation funded the project “Green bonds in India’s energy transition” from September 2018 to May 2019 in a total amount up to \$30,000.

**World Resources Institute (WRI)**

WRI funded the project “Growing the resilience of bonds market supporting climate resilience actions in developing countries” from July 2018 to October 2018 in a total amount up to \$5,672.

**ClimateWorks**

ClimateWorks Foundation funded the project “Greening the Belt and Road Initiative (BRI)” from January 2018 to December 2018 in a total amount up to \$150,150.

**Climate-KIC – PGB4M**

Climate-KIC (EIT’s Climate Knowledge and Innovation Centre) funded the project “Pooled Green Bond Financing for Municipalities” from July 2018 to December 2018 in a total amount up to €39,500.

**Climate-KIC – EH FC4S**

Climate-KIC (EIT’s Climate Knowledge and Innovation Centre) funded the project “European Financial Centres for Green and Sustainable Finance” from August 2018 to December 2018 in a total amount up to €11,050.

**Climate-KIC – Climate Risk Assessment**

Climate-KIC (EIT’s Climate Knowledge and Innovation Centre) funded the project “Climate Risk Assessment” from January 2018 to December 2018 in a total amount up to €100,000.

**Climate-KIC – GreenFrame 1**

Climate-KIC (EIT’s Climate Knowledge and Innovation Centre) funded the project “GreenFrame1 Energy Assessment for the Commercial Building Sector” from April 2017 to December 2018 in a total amount up to €50,000.

**Climate-KIC – GreenFrame 2**

Climate-KIC (EIT’s Climate Knowledge and Innovation Centre) funded the project “GreenFrame2 Energy Assessment for the Residential Building Sector” from April 2017 to December 2018 in a total amount up to €50,000.

**European Commission (SecureChain)**

European Commission under its Horizon 2020 Programme has funded the project “Securing futureproof, environmentally compatible, bioenergy chains” from April 2015 to March 2018 in a total amount up to €87,500.

**FCO India**

FCO (UK Foreign and Commonwealth Office) funded the project “Using Green Bonds to Raise International Capital for India’s Transition to a Low-Carbon and Climate Resilient Economy Phase –(II)” from January 2018 to July 2018 in a total amount up to £57,717.

**FCO China**

FCO (UK Foreign and Commonwealth Office) funded the project “China – Sustaining the Rapid growth of China’s green bond market” from September 2017 to March 2018 in a total amount up to £75,000.

**European Commission (SEI)**

European Commission under its Horizon 2020 Programme funded the project “Sustainable Energy Investment (“SEI”) Metrics” from March 2015 to March 2018 in a total amount up to €154,875.

**BEIS China**

The Secretary of State for Business, Energy and Industrial Strategy has funded the project entitled “Sustaining the Growth of China’s Green Bond Market and Facilitating Inter-Country Green Capital Flows” (February 2019 – November 2020) with £300,000.

**BEIS Colombia**

The Secretary of State for Business, Energy and Industrial Strategy has funded the project entitled “Scaling up Green Finance and establishing building blocks for scalable and low carbon investment in Colombia” (July 2019 – October 2020) with £485,699.54.

**BEIS Mexico**

The Secretary of State for Business, Energy and Industrial Strategy has funded the project entitled "Building a foundation for a sustainable and scalable low carbon future in Mexico - from Green Bonds to a Greener Ecosystem " (July 2019 – September 2020) with £181,622.

**ECF ASEAN**

The International Forum for Energy (IFE), an initiative of the European Climate Foundation (ECF), has funded this project to grow green infrastructure investment opportunities and the green bond market in ASEAN in order to facilitate capital flows into green infrastructure in ASEAN countries (April 2019 - April 2020) with \$150,000.00.

**19. Analysis of net assets between funds**

<b>Current Year</b>	<b>Fixed Assets £</b>	<b>Current assets £</b>	<b>Creditors due within one year £</b>	<b>Total £</b>
<b>Restricted Funds</b>	-	6,575	-	6,575
<b>Unrestricted funds</b>	97,625	994,751	(1,200,792)	(108,416)
	<u>97,625</u>	<u>994,751</u>	<u>(1,200,792)</u>	<u>(108,416)</u>
<b>Total funds</b>	<u>97,625</u>	<u>1,001,326</u>	<u>(1,200,792)</u>	<u>(101,841)</u>
<b>Prior Year</b>	<b>Fixed Assets £</b>	<b>Current assets £</b>	<b>Creditors due within one year £</b>	<b>Total £</b>
<b>Restricted Funds</b>	-	688,264	(688,264)	-
<b>Unrestricted funds</b>	123,184	124,948	(417,275)	(169,143)
	<u>123,184</u>	<u>124,948</u>	<u>(417,275)</u>	<u>(169,143)</u>
<b>Total funds</b>	<u>123,184</u>	<u>813,212</u>	<u>(1,105,539)</u>	<u>(169,143)</u>

**20. Reconciliation of net income to net cash flow from operating activities**

	<b>2019 £</b>	<b>2018 £</b>
Net movement in funds for the year	67,302	(204,182)
Bank interest	(30)	(14)
Depreciation and amortisation	49,470	44,489
(Increase) in debtors	(275,734)	(12,471)
Increase in creditors	95,253	679,235
	<u>(63,739)</u>	<u>507,057</u>
<b>Net cash provided by operating activities</b>	<u>(63,739)</u>	<u>507,057</u>

**21. Related Party Transactions**

Karl Mallon (a Trustee) is a Director of XDI, an organisation that works in climate change research and initiatives. CBI partnered with XDI on the "Climate Risk Assessment" project carried out in 2019. CBI paid £37,722 to XDI during 2019 (PY: £37,722) in this regard, included in expenditure with no amount outstanding at the year end.

Kate Kidney Bishop, the daughter of the Chief Executive Sean Kidney was paid £947 in 2019 (2018:NIL).

**22. Prior year Statement of Financial Activities**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2019 £
<b>Income from:</b>				
Donations		30,000	-	30,000
Charitable activities		1,400,090	1,049,933	2,450,023
Investment income		14	-	14
		<hr/>	<hr/>	<hr/>
<b>Total Income</b>		<b>1,430,104</b>	<b>1,049,933</b>	<b>2,480,037</b>
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Expenditure on:</b>				
Charitable activities		1,634,286	1,049,933	2,684,219
		<hr/>	<hr/>	<hr/>
<b>Total expenditure</b>		<b>1,634,286</b>	<b>1,049,933</b>	<b>2,684,219</b>
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Net (expenditure) / Net movement in funds</b>		<b>(204,182)</b>	<b>-</b>	<b>(204,182)</b>
<b>Reconciliation of Funds:</b>				
Total funds brought forward		35,039	-	35,039
		<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>		<b>(169,143)</b>	<b>-</b>	<b>(169,143)</b>
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**23. Operating lease commitments**

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

	2019 £	2018 £
Within one year	42,276	42,516
	<hr/>	<hr/>
	<b>42,276</b>	<b>42,516</b>
	<hr/> <hr/>	<hr/> <hr/>

**24. Post balance sheet events**

The Trustees discussion of the effects of COVID-19 on the charity's have been discussed in the Trustees' Annual report. There are no post year end events that effect the year ended 31 December 2019.