

QUADRATURE CLIMATE FOUNDATION
(a charitable company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024

Company Number 12194319
Charity Number 1187301

QUADRATURE CLIMATE FOUNDATION

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2024

The trustees (who are also directors of the charity for the purposes of the Companies Act 2006) present the annual report and the audited financial statements of Quadrature Climate Foundation (the “Foundation” or the “Company”) for the period ended 31 December 2024. The trustees confirm that the annual report and financial statements of the Foundation comply with current statutory requirements, the governance requirements of the Foundation and the provisions of the 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 (FRS102) (effective 1 January 2019) (“SORP”).

The financial statements have been prepared for the 12-month period from 1 January 2024 to 31 December 2024. This differs from the previous reporting period, which covered 1 July 2022 to 31 December 2023. The adjustment was made to synchronise future reports with the calendar year. Consequently, the figures in the current financial statements are not directly comparable to those of the previous reporting period.

OBJECTIVES AND ACTIVITIES

a. Foundation overview

The Foundation was established by Greg Skinner and Suneil Setiya, directors of Quadrature Capital Limited (“QCL”) and QC Ventures Limited (“QCV”), together (“Quadrature”), and registered as a charity on 10 January 2020.

b. Mission and strategic goals

The Foundation envisions a climate-resilient future for the world’s most vulnerable populations. Its mission is to develop science-led solutions that reduce climate risks and alleviate vulnerabilities, aiming to stabilise the climate and protect communities from climate impacts.

c. Key funding objectives

To prioritise its grantmaking efforts, the Foundation has established three key funding objectives:

- 1. Solutions to reduce greenhouse gas emissions:** The Foundation is committed to unlocking urgent solutions to effectively reduce CO₂ emissions, and drive swift reductions in other greenhouse gases, such as methane, which pose near-term climate risks.
- 2. Solutions for greenhouse gas removals:** The Foundation advances the development and scaling of high-quality initiatives to remove greenhouse gases from the atmosphere, encompassing nature-based, engineered and hybrid approaches. This includes the removal of CO₂ and other gases such as methane.
- 3. Solutions for responding effectively to climate impacts:** The Foundation supports systems-level approaches to climate resilience, particularly in the world's most climate-vulnerable regions. This work intersects with work on poverty, inequality, and suffering, including in conflict regions. It also supports work to better understand and govern climate interventions that may be needed in the future to avoid the most severe climate impacts.

The Foundation recognises that building resilient societies is central to its mission. The individuals most vulnerable to the impacts of climate change are often the poorest and most disenfranchised, facing multiple, interconnected crises such as environmental degradation, political turbulence, rising poverty, inequality, and the erosion of democratic systems.

d. Strategies for achieving objectives

The Foundation’s grantmaking strategy is built on key principles:

- 1. Objective:** Informed by evidence and learning, decisions are made integrating knowledge from diverse disciplines and stakeholders.
- 2. Systems approach:** Focus on comprehensive, multi-faceted interventions addressing root causes.
- 3. Patient capital:** The Foundation prioritises long-term, multi-year grants to support sustained change.

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e. Objects

The Foundation is established for the public benefit and its objects are:

1. to promote sustainable development by the:
 - a. protection, preservation and improvement of the environment and the prudent use of resources; and
 - b. promotion of sustainable means of achieving economic growth and regeneration,
2. to advance the education of the public in subjects relating to sustainable development and the protection, enhancement, and rehabilitation of the environment and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large; and
3. such other purposes being exclusively charitable according to the law of England and Wales as the trustees in their absolute discretion think fit.

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TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2024

STRATEGIC REPORT

In 2024, the Foundation made significant strides in advancing its mission. The Foundation's New Climate Reality strategy, approved in spring 2023, reflects the latest advancements in climate science and prioritises a more human-centred approach to climate action. Moving beyond the traditional focus on 'net zero' and '1.5°C', the strategy centres on building climate resilience, emphasising the alleviation of suffering, particularly in vulnerable communities. The strategy unfolds in three key pillars:

1. **Reducing Greenhouse Gas (GHG) Emissions:** Supporting interventions that drive rapid reductions in CO₂ and other greenhouse gases.
2. **Removing GHG from the Atmosphere:** Scaling solutions for carbon dioxide removal, both nature-based and engineered.
3. **Responding Effectively to Climate Impacts:** Prioritising adaptation and resilience, particularly in the Global South.

This framework is designed to be responsive and adaptable, positioning the Foundation for impactful action while maintaining agility in a rapidly changing landscape.

A core part of the Foundation's evolution has been the increasing emphasis on resilience, both within the communities it seeks to support and in its internal structure. As the team continues to grow and diversify, the Foundation is increasingly aligned with its mission, creating a supportive environment for innovation, accountability, and collaboration.

Achievements and Performance

a. Main achievements and review of activities

In 2024, the Foundation refined its strategic approach by continuing its shift towards a more programmatic method of grantmaking, supporting ecosystems of partners to drive systemic change. This approach prioritises evidence-led strategies through rigorous field engagement and peer review, to deliver more systemic, integrated and sustainable impact across QCF's ecosystem of partners.

In support of this approach, the Foundation approved nine programmes in alignment with its New Climate Reality Strategy, covering diverse fields such as climate policy, greenhouse gas removal, energy transition, and adaptation. These programmes reflect the Foundation's commitment to addressing long-term climate challenges through a more strategic, coordinated approach.

Grant expenditure in the year was £205m and a significant milestone was also reached in 2024 with the Foundation entering performance-based agreements with a cumulative value of \$1 billion since its inception, more than half of this being made since the beginning of 2023. While impact remains the Foundation's primary measure of success, this financial milestone underscores the importance of mobilising funding to drive meaningful change.

b. Strengthening governance and organisational capacity

2024 was also a year of organisational growth. The Foundation expanded its team by 63%, welcoming 19 new members and bringing the total to 31 full-time employees (FTEs). This growth reflects the Foundation's increasing capacity to meet its strategic objectives and deepen its impact.

2024 saw the buildout of a new Advisory Board to play a supportive role in the development of organisational and programme strategy. The Advisory Board had expanded to nine individuals by the end of 2024, with expertise from diverse geographies and areas relevant to QCF's climate-resilience agenda.

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TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2024

b. Strengthening governance and organisational capacity (continued)

In addition, the Chief Operating Officer (COO) joined the Foundation in early 2024 to continue the Foundation's professionalisation journey, with the organisation deepening its functional expertise across its Legal, Communications and People teams, with sharpened focus on process and system efficiencies, talent management and organisational culture.

c. Impact Measurement and Evaluation

In 2024, the Foundation published its Impact Framework, designed to guide how it tracks and evaluates its contributions to climate resilience solutions.

The framework provides a structured approach to organise and evaluate progress towards its goals, capturing both the direct learnings and outputs of the Foundation's programmes, and wider systemic impacts. It helps assess how initiatives influence long-term shifts across critical systems, including energy, land use, industry, governance, and finance. At the same time, it addresses barriers to these transitions and fosters a culture of learning that enables the Foundation to adapt its approach based on emerging evidence and insights.

d. Plans for the future

As the Foundation moves into 2025, the priority is on sharpening strategic clarity through coalescing around geographic priorities; and continuing to strengthen its team and operating model to deliver against the Foundation's operational and strategic goals.

Financial Review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, the trustees continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The Foundation will, at all times, ensure there is a minimum level of reserves available to sufficiently cover future operational expenditure.

The Foundation obtains a donation from Quadrature for the following calendar year's operational budget prior to the commencement of each calendar year. At any point in the financial period additional donations can be requested from Quadrature, to cover any additional necessary operational expenditure over and above the approved budget. All reserves are unrestricted.

The Foundation obtains Quadrature's donations in advance for any grant payments made and, through this mechanism, it is ensured that sufficient reserves are maintained to cover future operational expenditure.

Total reserves are £26,947,018 (2023: £21,294,358). Free unrestricted reserves are calculated by taking unrestricted reserves and deducting fixed assets. As at 31 December 2023, free unrestricted reserves were £26,839,485 (2023: £21,244,473).

c. Financial results

The financial statements have been prepared covering the 12-month period from 1 January 2024 to 31 December 2024, compared to the prior reporting 18-month period of 1 July 2022 to 31 December 2023. As a result, the amounts presented in the financial statements are not comparable.

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FOR THE PERIOD ENDED 31 DECEMBER 2024

c. Financial results (continued)

The Foundation ended the reporting period with a surplus of £5,652,660 (2023: £13,480,085). The statement of financial activities shows that the total income for the period amounted to £221,729,288 (2023: £269,860,805) and total expenditure of £216,076,628, of which expenditure on charitable activities was £204,705,047 (2023: £256,380,720, of which expenditure on charitable activities was £246,830,765).

d. Financial investments

The Foundation did not hold any investments during the reporting period. Any future investments will be approved by the trustees only after obtaining advice from a financial expert as they consider necessary and having regard to the suitability of investments and the need for diversification.

e. Principal risks and uncertainties

The Foundation has identified the following key risks and uncertainties:

1. Investments fail to have impact which could lead to failure to deliver the Foundation's mission, reputational harm and loss of credibility and/ or funding. This is the principal risk of the Foundation and ranges from failing to invest in impactful programmes and strategies to challenging economic and political operating environments which affect the Foundation's and / or the wider climate ecosystem's (including partners of the Foundation) ability to deliver impact and in some cases, operate. This risk is mitigated by the ongoing development of the Foundation's impact framework (consisting of several building blocks including partner reporting, an internal grant reviews process, and other means to evaluate our impact), the focus on impact when working with partners, close monitoring of the economic and political landscape and its impact on the Foundation's work, through the Foundation's risk framework and management plan.
2. Variability of future funding; The Foundation mitigates this risk by granting in arrears against known donations. The Foundation has clear communication with Quadrature which includes funding letters setting out estimated future donation levels.
3. Failure to fulfil grant commitments in an efficient and timely manner which may place undue stress on partners. This risk is mitigated by a grant management system which has automated the grantmaking process and includes workflows such as prompts to partners to fill in donation requests.
4. Insufficient capacity and/or skills to provide effective operational delivery, with implementation of organisational strategic plans being unable to match the demands of operational requirements. The Foundation mitigates this risk by performing regular internal reviews of organisational processes and procedures and maintaining a robust talent management plan.

f. Financial risk management objectives and policies

The Foundation recognises that risk management is essential to its governance and operations.

The trustees are responsible for ensuring that the Foundation has a sound system of internal control to safeguard its assets and funds and to ensure its assets and funds are used only to further the Foundation's objectives.

The trustees have assessed the major risks to which the Foundation is exposed, in particular those related to the operations and finances of the Foundation and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

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TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2024

f. Financial risk management objectives and policies (continued)

The Foundation has a formal risk-management process whereby a full and detailed review of all possible major risks to the charity are categorised with an associated control activity to mitigate the risk and are ranked according to likelihood and impact to the charity for review by the trustees.

g. Principal funding, fundraising activities and income generation

Funding is provided by Quadrature. The Foundation does not currently undertake any fundraising activities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Charity governance code

The trustees have reviewed the Charity Governance Code and specifically note the clarity that the seven principles of the code bring to board development, ongoing review and effective governance of the Foundation.

b. Constitution

The Foundation is registered as a charitable company limited by guarantee. The Foundation was registered as a charity on 10 January 2020, with charity number 1187301. The Foundation is constituted by its governing document, the articles of association.

c. Methods of appointment or election of trustees

The trustees are elected under the terms of the articles of association.

d. Organisational structure and decision-making policies

The trustees are ultimately responsible for the Foundation. The trustees recognise that good governance is fundamental to the Foundation's success and ensure that it is well governed through implementing, supporting and regularly reviewing the Foundation's governance framework to ensure that it is appropriate in terms of its size, complexity, stage of development and the Foundation's charitable purposes.

The trustees provide strategic oversight, support the Foundation in respect of performance and impact and is responsible for the Foundation's risk management framework. In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public Benefit: running a charity (PB2)'.

Whilst some matters are reserved for the trustees and cannot be delegated, day-to-day operations of the Foundation have been delegated to the management team. In line with best practice, the trustees have approved the delegation framework in a Scheme of Delegation which is routinely reviewed.

The Foundation's operations are currently structured around four functions:

- 1. Science:** Provides in-house expertise and coordinates external expert networks.
- 2. Programmes and strategy:** Designs and executes grantmaking efforts.
- 3. Finance and operations:** Ensures operational efficiencies and effective delivery.
- 4. People:** Cultivates the culture and capacity needed to achieve the Foundation's goals.

The Foundation has a governance framework to support an efficient and effective organisation with due regard to risk and risk management. A key part of this is the role of the trustees (including how they delegate authority) and the expanded advisory board. The advisory board uses its expertise to act as both 'challenger' and 'thought partner' to the executive. The advisory board does not have any decision-making powers.

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TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2024

d. Organisational structure and decision-making policies (continued)

Key organisational policies include the Foundation's governance framework, the terms of reference for the trustees and the advisory board, the Scheme of Delegation and its reserves and conflicts policies. The Foundation also maintains a comprehensive suite of operational policies.

e. Policies adopted for the induction and training of trustees

On appointment, trustees are formally inducted to the Foundation by attending onboarding sessions with the management team and key functions including Programmes, Legal, Finance and Impact. New trustees are provided with copies of key documents relevant to the Foundation such as the latest financial statements, the conflicts of interest policy, the risk management framework and the current strategic plans.

f. Remuneration policy

The Foundation operates as a lean and agile team with a bold mission. Its remuneration policies and practices are designed to support its long-term success and the delivery of its strategy.

The Foundation conducts annual reviews of employee pay, including for key management personnel, benchmarking salaries against global industry standards from both the private and non-profit sectors. Salary bands are approved by the trustees, ensuring compensation remains competitive within the market. These policies aim to attract and retain exceptional talent, which is critical to executing the Foundation's strategy and achieving its mission.

In addition, all employees receive a comprehensive benefits package that supports their health and wellbeing.

f. Related-party relationships

The Foundation receives funding and other contributions from Quadrature. Two of the Foundation's trustees are directors of Quadrature. The Foundation's trustees act in the best interests of the charity.

g. Risk management

The trustees identify and assess the major risks to which the Foundation is exposed, including risks relating to the Foundation's programmes and partners, the Foundation's people, operations and finances as well as external factors such as its reputation and the environment in which it operates. The trustees are satisfied that systems and procedures are in place to mitigate exposure to the major risks including the risk framework updated annually, identification, assessment, mitigation, and monitoring of the major risks through an organisational risk register in which risks are categorised and ranked according to likelihood and impact. The risk register also includes actions to be taken to mitigate and manage risk, including designating an accountable person to manage each risk.

h. Trustees' indemnities

In accordance with the Foundation's articles of association, the trustees are entitled to benefit from trustee indemnity insurance and may receive an indemnity from the Foundation under certain circumstances.

i. Grantmaking

The trustees approve the business plan which identifies strategic areas for grantmaking, ensuring the Foundation's activities represent an appropriate use of the Foundation's funds in line with the Foundation's charitable objectives. Priorities for support are reviewed annually.

The Foundation makes grants to a range of organisations including registered UK and overseas charities as well as universities and for-profits where appropriate. Grants are awarded on an 'invitation to apply' only basis. All grant applications are subject to a rigorous due diligence process.

QUADRATURE CLIMATE FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

FOR THE PERIOD ENDED 31 DECEMBER 2024

j. Grantmaking (continued)

The Foundation's programme and science functions use their existing networks and develop new networks within the approved strategic area to identify potential partners. The programme and science functions work with partners to refine their proposals and officially 'invite to apply' via the Foundation's grants management system, ensuring a uniform and transparent formal application and due diligence process.

All grants are processed by the Foundation's experienced grant management function and supported and reviewed by the in-house legal and finance functions. Active grants are managed by the grants management and programme and science functions.

k. Volunteers

The Foundation does not use volunteers to deliver any services or in support of its grantmaking activities.

l. Main activities undertaken to further the Foundation's purposes for the public benefit

The Foundation's primary activity is grantmaking to climate charities and non-profits. The Foundation also engages with other charitable and philanthropic entities and their networks to exchange views and best practice. The Foundation may from time-to-time host or support convenings where they further the Foundation's charitable objectives.

QUADRATURE CLIMATE FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

FOR THE PERIOD ENDED 31 DECEMBER 2024

Trustees	G H Skinner S Setiya N Cosgrove J Hooke (appointed 2 April 2024)
Registered Office	10 Queen Street Place London EC4R 1AG
Trading Office	Uncommon Liverpool Street 34-37 Liverpool Street London EC2M 7PP
Company number:	12194319
Charity number:	1187301
Auditors	HaysMac LLP 10 Queen Street Place London EC4R 1AG
Bankers	Barclays Plc 1 Churchill Place London E14 5HP UBS Wealth Management 5 Broadgate London EC2M 2AN

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FOR THE PERIOD ENDED 31 DECEMBER 2024

Statement of trustees' responsibilities

The trustees (who are also directors of the Foundation 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 Foundation and of the incoming resources and application of resources, including the income and expenditure, of the Foundation 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 SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation 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 Foundation and for taking reasonable steps to prevent and detect fraud and other irregularities.

So far as each of the trustees is aware at the time this report is approved:

- there is no relevant audit information of which the Foundations auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

Haysmacintyre LLP rebranded and their registered name changed in November 2024 to HaysMac LLP. HaysMac LLP has expressed its willingness to continue in office as auditors and a resolution proposing its reappointment will be submitted at the appropriate Trustee meeting.

Approved by order of the members of the board of trustees on 13 August 2025 and signed on their behalf by:



Jennifer Hooke
Trustee

Date: 13 August 2025

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF QUADRATURE CLIMATE FOUNDATION

Independent auditor's report to the members of Quadrature Climate Foundation

Opinion

We have audited the financial statements of Quadrature Climate Foundation for the period ended 31 December 2024 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, 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 Foundation's affairs as at 31 December 2024 and of the Foundation's net movement in funds, including the 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 charity 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 trustees' 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 Foundation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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 (which includes the strategic report and the directors' report prepared for the purposes of company law) 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 included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF QUADRATURE CLIMATE FOUNDATION

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Foundation and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and 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 Foundation; or
- the Foundation 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the Foundation 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 Foundation'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 Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the Foundation and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, Charities SORP (2019) and payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the recognition of grant expenditure at the year-end. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing the controls and procedures of the charity, including during the Covid-19 remote working period;
- Reviewing minutes of trustees' meetings;
- Identifying and testing journals, in particular journal entries posted around the year-end; and

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF QUADRATURE CLIMATE FOUNDATION

- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

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

Use of our report

This report is made solely to the Foundation'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 Foundation'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 Foundation and the Foundation's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Weaver
For and on behalf of HaysMac LLP, Statutory Auditors

Date: 14 August 2025

10 Queen Street Place
London
EC4R 1AG

QUADRATURE CLIMATE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating income and expenditure account)

FOR THE PERIOD ENDED 31 DECEMBER 2024

	Note	12 Months Ended 31 December 2024	18 Months Ended 31 December 2023
		£	£
Income from:			
Donations and legacies	2	221,690,197	269,721,626
Interest		39,091	139,179
Total income		<u>221,729,288</u>	<u>269,860,805</u>
Expenditure on:			
Charitable activities		204,705,047	246,830,765
Other expenditure	4	11,371,581	9,549,955
Total expenditure		<u>216,076,628</u>	<u>256,380,720</u>
Net movement in funds		<u>5,652,660</u>	<u>13,480,085</u>
Reconciliation of funds:			
Reconciliation of funds:			
Total funds brought forward		21,294,358	7,814,273
Net movement in funds		<u>5,652,660</u>	<u>13,480,085</u>
Total funds carried forward		<u><u>26,947,018</u></u>	<u><u>21,294,358</u></u>

All of the Charity's funds in both the current and prior year were unrestricted.

The Statement of Financial Activities includes all gains and losses recognised in the period.

The notes on pages 17 to 26 form part of these financial statements.

QUADRATURE CLIMATE FOUNDATION**BALANCE SHEET****FOR THE PERIOD ENDED 31 DECEMBER 2024****Company number: 12194319**

	Note	31 December 2024 £	31 December 2023 £
Fixed assets			
Tangible fixed assets	8	<u>107,533</u>	<u>49,885</u>
Current assets			
Debtors	9	749,946	368,759
Cash at bank and in hand		<u>27,094,006</u>	<u>27,482,508</u>
		27,843,952	27,851,267
Creditors: amounts falling due within one year	10	<u>(1,004,467)</u>	<u>(6,606,794)</u>
Net current assets		<u>26,839,485</u>	<u>21,244,473</u>
Total assets less current liabilities		<u>26,947,018</u>	<u>21,294,358</u>
Total net assets		<u><u>26,947,018</u></u>	<u><u>21,294,358</u></u>
Charity funds			
Unrestricted funds		<u>26,947,018</u>	<u>21,294,358</u>
Total funds		<u><u>26,947,018</u></u>	<u><u>21,294,358</u></u>

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of the financial statements.

These financial statements were approved and authorised for issue by the trustees on 13 August 2025 and signed on its behalf by:



Jennifer Hooke
Trustee

The notes set out on pages 17 to 26 form an integral part of these financial statements.

QUADRATURE CLIMATE FOUNDATION**STATEMENT OF CASH FLOWS****FOR THE PERIOD ENDED 31 DECEMBER 2024**

	Note	12 Months Ended 31 December 2024 £	18 Months Ended 31 December 2023 £
Cash flows from operating activities			
Net cash used in operating activities	11	27,482,508	9,089,746
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(388,502)	18,392,762
		<hr/>	<hr/>
Cash and cash equivalents at the end of the period		27,094,006	27,482,508
		<hr/> <hr/>	<hr/> <hr/>

Cash and cash equivalents comprise solely cash at bank and in hand for both the current and prior period.

The notes on pages 17 to 26 form part of these financial statements.

QUADRATURE CLIMATE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared covering the 12-month period from 1 January 2024 to 31 December 2024, compared to the prior reporting period of 1 July 2022 to 31 December 2023. As a result, the amounts presented in the financial statements are not comparable.

The financial statements have been prepared in accordance of with the Charities SORP (FRS 102) – 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Quadrature Climate Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going Concern

After making appropriate enquiries, the trustees have a responsible expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Company and which have not been designated for the other purposes.

1.4 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

Grants payable are charged in the period when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the period end are noted as a commitment but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

QUADRATURE CLIMATE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2024

1 Accounting policies (continued)

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Tangible fixed assets will only be capitalised if the asset is £1,000 or over.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives are as follows:

Office Equipment	- 4 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Creditors and provisions

Creditors and provisions are recognised where the Company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle that obligation can be measured or estimated reliably. Creditors and provisions are initially recognised at transaction value as none represent a financing transaction. They are only derecognised when they are extinguished.

1.11 Critical accounting judgements or estimation

The trustees do not consider there to be any significant judgements or sources of estimation uncertainty in relation to the preparation of the financial statements.

QUADRATURE CLIMATE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2024

1 Accounting policies (continued)

1.12 Pensions

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

1.13 Notice period payments

Notice period payments are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet immediately at the point the charity committed to either terminate the employment of an employee or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. The charity considers it is committed only when it has a detailed formal plan for the termination and is without realistic possibility of withdrawal from the plan.

1.14 Foreign currency translation

The Foundations' functional and presentational currency is GBP.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency and monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

1.15 Related party transactions

The charity discloses all related party transactions as required by Section 33 of FRS 102 and the Charity SORP. A related party is a person or entity that has control or significant influence over the charity, or a person or entity over which the charity has control or significant influence. This includes trustees, key management personnel, and their close family members, as well as entities in which these individuals have a controlling interest.

All related party transactions are conducted at arm's length and on normal commercial terms unless otherwise stated. The charity ensures that no personal benefit is derived by trustees or key management personnel except as permitted by charity law and disclosed in these financial statements.

Donated services and facilities from related parties are measured at value to the entity. If equivalent services would not have been purchased if they had not been donated, they are recorded at nil value.

QUADRATURE CLIMATE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2024

2. Income from donations and legacies

	Total Funds 12 Months Ended 31 December 2024 £	Total Funds 18 Months Ended 31 December 2023 £
Donations	221,690,197	269,721,626
	<u>221,690,197</u>	<u>269,721,626</u>

3. Analysis of Grants

	Grants to Institutions 12 Months Ended 31 December 2024 £	12 Months Ended 31 December 2024 £	Total Funds 18 Months Ended 31 December 2023 £
Grants made	204,705,047	204,705,047	246,830,765
	<u>204,705,047</u>	<u>204,705,047</u>	<u>246,830,765</u>

During the year, the Foundation made grants in excess of £1,000,000 (2023: £750,000) to the following institutions:

	12 Months Ended 31 December 2024 £	18 Months Ended 31 December 2023 £
Agfood Future Foundation	-	1,669,398
Allied Climate Partners	3,793,511	-
Anthropocene Fixed Income Institute	-	1,730,769
Arctic Basecamp	1,247,754	1,696,946
Boston University	-	869,692
BRM Futures	2,972,903	2,972,903
Canopy Planet Society	1,310,045	2,132,992
Carbon Gap	-	1,320,000
Carbon Tracker Initiative	1,666,667	769,231
Center for Climate and Energy Solutions	-	857,594
Centre for Investigative Journalism	-	1,313,544
Centre for Research on Energy and Clean Air	-	928,367
Clean Air Fund	2,967,973	-
Clean Air Task Force Inc	2,367,667	2,200,000
Climate Breakthrough	-	2,734,631
Climate Policy Radar CIC	-	845,000
ClimateWorks Foundation	12,330,571	24,013,131
Subtotal carried forward	28,657,091	46,054,198

QUADRATURE CLIMATE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2024

3. Analysis of Grants (continued)

Brought forward	28,657,091	46,054,198
Count Us In (LQ Foundation)	-	2,000,000
Earth Island Institute	-	1,742,643
Ember	1,492,615	2,487,692
Energy Foundation	-	1,620,457
Environmental Leadership Australia	-	1,761,342
European Climate Foundation	20,269,380	12,487,341
Fondation Pour l'institut De Hautes Etudes Internationales Et Du Développement	-	835,111
Foundation For International Law for The Environment	1,289,380	6,189,858
Future Earth International	-	1,602,877
Global Energy Monitor	1,161,603	1,161,890
Global Greengrants Fund	-	994,889
Global Resilience Partnership	1,592,456	-
Grantham Environmental Trust	1,936,875	-
Grantham Foundation	21,560,708	27,824,656
Green Finance Institute	1,769,240	2,098,898
Greenmap	-	1,911,987
Growald Family Fund	19,614,721	20,103,321
Homeworld Collective	1,152,836	-
Institute for Climate and Society	1,177,449	1,191,725
Institute for Energy Economics and Financial Analysis Inc	1,182,424	1,462,123
Instituto del Bien Comun	-	1,071,678
International Institute for Environment & Development	1,068,366	-
Kids Operating Room	1,539,219	-
Market Forces	-	1,291,157
Media Bounty	-	1,375,000
Meliore Foundation	12,679,310	-
Mighty Earth	-	2,358,517
Potential Energy Coalition	2,768,457	2,807,713
Project Tempo	4,241,417	1,615,487
Regulatory Assistance Project	-	1,700,266
Rights And Resources Institute Inc	-	1,646,111
Rockefeller Philanthropy Advisors (CECG)	5,304,430	6,647,514
Rocky Mountain Institute	-	2,004,517
SilverLining NGO	3,048,626	-
Spark Climate Solutions	1,573,564	4,950,242
Stand Earth	-	1,916,059
Stitching SED Fund	5,109,541	19,706,313
Systemiq	1,716,051	-
Tara Climate	3,956,667	-
TED Foundation	1,573,541	-
The African Climate Foundation	-	4,693,071
The Bellona Foundation	1,606,123	-
The Centre for Innovation In Voluntary Action	-	1,300,000
The Climate Subak CIC	-	1,610,125
The Degrees Initiative	1,397,037	-
The Embankment Institute	-	2,510,103
The Good Food Institute	1,584,510	1,616,044
The Sunrise Project	4,786,903	7,617,457
Third Way Institute	-	1,642,425
TMP Public CIC	1,104,469	-
TransitionZero	1,129,153	1,900,000
Subtotal carried forward	159,044,162	205,510,807

QUADRATURE CLIMATE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2024

3. Analysis of Grants (continued)

Brought forward	159,044,162	205,510,807
Transport & Environment	-	1,364,000
UNHCR	1,345,841	-
United Nations Office for Project Services	-	824,198
University College London	1,155,508	1,034,764
University of Cambridge	1,000,000	-
University of Oxford	1,433,118	1,676,568
University Of Washington	1,969,620	-
WePlanet	-	771,433
Windward Fund	6,839,873	9,451,778
Woodwell Climate Research Center	-	4,284,588
World Economic Forum	-	3,040,397
World Resources Institute	-	4,197,100
WWF	-	1,400,000
Other grants to institutions	31,916,925	13,275,132
	204,705,047	246,830,765

The Foundation has entered into commitments that may result in further grants totalling £160,054,563 (2023: £95,433,714) being paid to institutions in future years. These payments are subject to criteria that need to be satisfied by the recipient and are dependent on the Foundation having appropriate funds available to finance them. All future payments are subject to the Foundation's discretion and, as such, liabilities for these grants have not been recognised at 31 December 2024.

QUADRATURE CLIMATE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2024

4. Other expenditure

	Total Funds 12 Months Ended 31 December 2024 £	Total Funds 18 Months Ended 31 December 2023 £
Administrative expenses	2,002,453	1,901,350
Finance costs	7,468	8,124
Rent	775,433	1,142,119
Foreign Exchange Loss/ (Gain)	617,215	(270,834)
Consulting Fees	1,551,966	846,776
Legal and professional fees	487,951	488,746
Wages and Salaries	4,903,628	4,456,234
Employer's National Insurance	589,492	570,774
Pension costs	205,578	143,866
Other staff costs	199,792	243,912
Depreciation	30,605	18,888
	<u>11,371,581</u>	<u>9,549,955</u>

5. Auditors' remuneration

	12 Months Ended 31 December 2024 £	18 Months Ended 31 December 2023 £
Legal and professional fees (note 4) include the following:		
Fees payable to the Company's auditor for the audit of the Company's annual accounts	28,320	27,600
Fees payable to the Company's auditor in respect of: All non-audit services not included above	<u>23,280</u>	<u>34,860</u>

6. Staff costs

	12 Months Ended 31 December 2024 £	18 Months Ended 31 December 2023 £
Wages and salaries	4,903,628	4,456,234
Social security costs	589,492	570,774
Contribution to defined contribution pension schemes	205,578	143,866
	<u>5,698,698</u>	<u>5,170,874</u>

QUADRATURE CLIMATE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2024

6. Staff costs (continued)

Included in the above are multiple notice period payments totalling £555,755 for the year ended 31 December 2024 (and £1,008,659 for the 18-month period ending 31 December 2023).

The average number of persons employed by the Company during the period was as follows:

	12 Months Ended 31 December 2024 £	18 Months Ended 31 December 2023 £
Employees	27	15

As at 31 December 2024, the number of persons employed by the Company was 31 (2023:19).

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

Salary bands for relevant period	12 Months Ended 31 December 2024	18 Months Ended 31 December 2023
£60,001 - £70,000	1	-
£70,001 - £80,000	2	2
£80,001 - £90,000	4	1
£90,000 - £100,000	1	-
£100,001 - £110,000	2	-
£110,001 - £120,000	1	2
£120,001 - £130,000	2	-
£130,001 - £140,000	1	-
£140,001 - £150,000	-	3
£150,001 - £160,000	-	1
£160,001 - £170,000	-	1
£170,001 - £180,000	2	1
£190,001 - £200,000	1	-
£200,001 - £210,000	-	1
£220,001 - £230,000	1	1
£260,001 - £270,000	2	-
£270,001 - £280,000	-	1
£280,001 - £290,000	1	1
£290,001 - £300,000	1	-
£320,001 - £330,000	1	-
£330,001 - £340,000	1	-
£370,001 - £380,000	1	-
£550,001 - £560,000	1	-
£570,001 - £580,000	-	1
£1,420,001 - £1,430,000	-	1

QUADRATURE CLIMATE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2024

6. Staff costs (continued)

Key management personnel compensation totalled £2,499,087 during the year ended 31 December 2024 (and £3,626,865 for the 18-month period ending 31 December 2023).

7. Trustees remuneration and expenses

During the period, no trustees received any remuneration or other benefits. During the year ended 31 December 2024 £9,837 (period ended 31 December 2023, £1,002) worth of Trustee expenses have been incurred.

8. Tangible fixed assets

	Office Equipment £	Total £
Cost		
At 1 January 2024	77,259	77,259
Additions	88,253	88,253
Disposal	-	-
At 31 December 2024	165,512	165,512
Depreciation		
At 1 January 2024	27,374	27,374
Charge for the period	30,605	30,605
At 31 December 2024	57,979	57,979
Net Book Value		
At 31 December 2023	49,885	49,885
At 31 December 2024	107,533	107,533

9. Debtors

	31 December 2024 £	31 December 2023 £
Due within one year		
Prepayments and accrued income	554,904	155,810
Other Debtors	195,042	212,949
	749,946	368,759

QUADRATURE CLIMATE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2024

10. Creditors: Amounts falling due within one year

	31 December 2024 £	31 December 2023 £
Trade creditors	295,754	134,523
Other creditors	39,888	60,173
Accruals and deferred income	668,825	6,412,099
	<u>1,004,467</u>	<u>6,606,795</u>

Details of future grant commitments are given in note 3 to the accounts.

11. Reconciliation of net movement in funds to net cash flow from operating activities

	31 December 2024 £	31 December 2023 £
Net income for the period (as per Statement of Financial Activities)	<u>5,652,660</u>	<u>13,480,085</u>
Adjustments for:		
Depreciation charged	30,605	18,888
Purchase of tangible fixed assets	(88,253)	(54,575)
Disposal of tangible fixed assets	-	-
Increase in debtors	(381,187)	(297,239)
(Decrease) / increase in creditors	<u>(5,602,328)</u>	<u>5,245,603</u>
Net cash provided by operating activities	<u>(388,503)</u>	<u>18,392,762</u>

12. Pension Commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the scheme and amounted to £205,578 (2023: £143,866). At 31 December 2024 contributions of £39,888 (2023: £28,317) were unpaid and included in other creditors.

13. Related party transactions

During the year, donations of £221,690,197 (2023: £269,721,626) were received from Quadrature, a Company controlled by two of the Foundation's trustees. A total of £nil (2023: £31,855) was due to Quadrature at the period end.

Donated services and hospitality were provided by Quadrature during the year, valued at £nil.

A total of £81,000 (2023: £nil) was paid to Jennifer Hooke, Trustee, under a service agreement to provide Advisory Services to the Foundation.