

**TERRAVERDE CIO**

**REPORT AND FINANCIAL STATEMENTS**  
**For the year ended 31 December 2022**

**Charity Number 1197456**

**TERRAVERDE CIO**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
For the year ended 31 December 2022

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The trustees are pleased to present their annual trustees' report together with the financial statements of the charity for the year ending 31<sup>st</sup> December 2022.

The financial statements comply with the Charities Act 2011, the Memorandum and Articles of Association, and 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 2015).

## **1. Objectives and Activities**

**Our Mission** is to:

- Advance awareness and fund actions that continue to protect the environment
- Promote environmental protection and regeneration
- Help alleviate poverty relief associated with climate change

**Our Values** are to:

- Respect everyone
- Place participants' voice at the heart of all planning and delivery;
- Be informed, constructive and robust in our work;

The Trustees confirm that they have referred to the Charity Commission guidance on Public Benefit when developing their Strategic Aims and Objectives and planning activities.

## **2. Achievements and Performance**

The year saw us go through all the legal processes to have our primary donor's estate funds converted into an endowment fund that will support the charity. Charitable activities are set to commence in the next year.

## **3. Financial Review Review of the Year**

The results for the year and the company's financial position at the end of the year are shown in the attached financial statements

During the year the Charity had income of £1,070,997, primarily through proceeds from the sale of property held in Trust and bequeathed to it. The income was initially recognised as unrestricted income, and then transferred into a capital endowment fund, as required for the operation of the charity. There were losses of £12,719 at the year-end on the total capital invested, and these have been classified within unrestricted funds. Future income and expenditure generated by the endowment fund are also to be classified within unrestricted funds of the charity; the endowment fund being the main funding source of operational funding. Restricted funds will be recognised where the charity receives future grant income.

The overall surplus of £1,057,053 in the year, is generated from the first year impact of the legacies bequeathed. The charity had net assets of £1,069,772, which includes some further funds receivable at 31<sup>st</sup> December 2022.

### **Reserves policy**

The Trustees consider the level of reserves, £1,069,772, sufficient for the Charity at this time, as it has no commitments or exceptional expenditure.

#### 4. Plans for Future Periods

We plan to support the work of charities assisting those impacted by climate change in Bangladesh, and are looking to commence some grant-making activity by the end of 2024. Our strategy will be to use their work as collateral to help us build a profile, initially at the Labour Party conference in September. We are also considering arranging a visit to Bangladesh, to see if there are opportunities to directly fund any initiatives in the country.

There are also plans to launch a competition in 2025, to award funding to UK-based producers of climate change adaptation or carbon capture technologies.

#### 5. Reference and administrative details of the charity, its trustees and advisors

<b>Registered charity name</b>	Terraverde CIO
<b>Charity number</b>	1197456
<b>Registered office</b>	53 Jerningham Road, London SE14 5NH
<b>Trustees and Members of the Board</b>	James Armitage - Chair Niam Bridget Mary Catherine O'Connor - Kevan Halson Nicholas O'Sullivan
<b>Independent Examiner</b>	N A Chowdhury FCCA Abacus Partners (LDN) LLP Unit A, Abbots Wharf 93 Stainsby Road London E14 6JL
<b>Bankers</b>	CAF Bank  30 Old Broad Street London EC2N 1HT

#### 6. Culture, governance and management/ Governing Document/ Appointment of the trustees

The charity is set up as a charitable incorporated organisation and is registered with the Charity Commissioners under registration number 1197456.

The CIO was registered with the Charity Commission on 17 October 2022.

Terraverde CIO is governed by its constitution and it is managed by a Board of Trustees elected each year at the AGM and normally hold office until the following AGM. Trustees may also be co-opted onto the board until the next AGM. The day-to-day management of the organisation is delegated to the Chair.

All Trustees give their time voluntarily and receive no remuneration or other benefits

#### Risk Management

The Trustee Board has conducted its own review of the major risks to which the charity is exposed and

systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

## **7. Statement of Trustee Responsibilities**

The trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity SORP 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 charity and of incoming resources and application of resources, including the receipts and payments of the charity for that year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **8. Audit exemption**

The charity has opted for an independent examination for the period ended 31<sup>st</sup> December 2022. It qualifies for an audit exemption on the grounds that gross assets do not exceed £3.26m. Although gross income exceeds £1m, and would normally require an independent audit as per Charities SORP, the Trustees are exercising the dispensation available to them, whereby legacies left in Trust as an endowment fund for inception of the charity, can be considered as not being part of gross income.

Approved by the Trustees on 8<sup>th</sup> May 2024 and signed on their behalf

  
J Armitage  
Chair

09/05/2024

## **TERRAVERDE CIO**

### **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES**

For the year ended 31 December 2022

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I report on the financial statements of Terraverde CIO for the year ended 31 December 2022, which are set out on pages 7 to 13.

#### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

#### **Basis of independent examiner's statement**

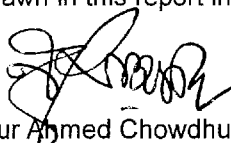
My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### **Independent examiner's statement**

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Nur Ahmed Chowdhury FCCA  
For and on behalf of Abacus Partners (LDN) LLP  
Unit A, Abbotts Wharf 93 Stainsby Road  
London, E14 6JL

9<sup>th</sup> May 2024

## STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2022

	Notes	Unrestricted Fund	Restricted Fund	Endowment Fund	Total Funds 2022
		£	£	£	£
<b>Incoming Resources from</b>					
Donations and Legacies		1,070,997	-	-	1,070,997
Investments		-	-	-	
<b>Total Incoming Resources</b>		1,070,997	-	-	1,070,997
<b>Resources Expended on</b>					
Charitable Activities		-	-	-	
Governance costs	5	1,225	-	-	1,225
<b>Total Resources Expended</b>		1,225			1,225
<b>Net Surplus/Deficit Before Fund Movements</b>		1,069,772	-	-	1,069,772
Transfers Between Funds	15	(1,039,965)	-	1,039,965	-
<b>Net Movement before other gains/(losses)</b>		29,807	-	1,039,965	1,069,772
Gains/(losses) on capital endowment	9	(12,719)	-	-	(12,719)
<b>Net Movement in Funds</b>		17,088	-	1,039,965	1,057,053
<b>Reconciliation of funds:</b>					
Total Funds Brought Forward		-	-	-	-
<b>Total Funds at 31 december 2022</b>		<b>17,088</b>	<b>-</b>	<b>1,039,965</b>	<b>1,057,053</b>

All income and expenditure derive from continuing activities

The notes on pages 9 to 13 form an integral part of these accounts.

**BALANCE SHEET**  
As at 31 December 2022

	Note	Total 2022 £
<b>Fixed Assets:</b>	<b>9</b>	
Investments		1,027,246
<b>Current Assets:</b>		
Debtors		30,032
Cash at bank & in hand		975
		<u>31,007</u>
<b>Current Liabilities:</b>		
Amount falling due within one year	<b>13</b>	1,200
<b>Net Current Assets / (Liabilities)</b>		<u>29,807</u>
<b>Total Assets less Current Liabilities</b>		
<b>Creditors:</b>		
Amount falling due after one year		-
<b>Total Net Assets</b>		<b>1,057,053</b>
<b>Funds of the Charity</b>		
Restricted Funds		
Endowment Fund	<b>15</b>	1,039,965
Unrestricted Funds		17,088
<b>Total Funds as at 31 December 2022</b>		<b><u>1,057,053</u></b>

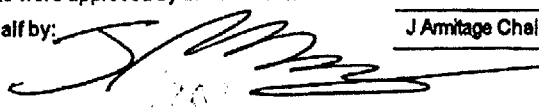
The notes on pages 9 to 13 form an integral part of these accounts.

These financial statements were approved by the Board on:

08.05.2024

and are signed on its behalf by:

J Amitage Chair

 08/05/2024

The charity dispensed with the requirement for an audit on the grounds that it was established via transfer of proceeds from a special trust, and the proceeds of the endowment do not form a part of the charity's gross income, thus taking the gross income below the threshold to require a statutory audit.



## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2022

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### **1. Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

### **2. Basis of accounting**

#### **2.1 Basis of preparation**

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts 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) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Terraverde CIO meets the definition of a public benefit entity under FRS 102.

#### **2.2 Preparation of the accounts on a going concern basis**

The charity reported total unrestricted funds at the year end of £17,088 and has secured further legacies for the year-end December 2023. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

### **3. Income**

#### **3.1 Recognition of income**

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability

#### **3.2 Offsetting**

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

#### **3.3 Grants and donations**

Income from legacies and grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

### **3.4 Interest receivable**

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.

### **3.5 Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the

## **4. Expenditure and liabilities**

### **4.1 Liability recognition**

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

### **4.2 Charitable activities**

Expenditure on charitable activities, where applicable, includes the costs of work and other activities undertaken to further the purposes of the charity and their associated support costs.

### **4.3 Governance and support costs**

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

### **4.4 Irrecoverable VAT**

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

### **4.5 Creditors**

The charity has creditors which are measured at settlement amounts less any trade discounts.

### **4.6 Provisions for liabilities**

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

## Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2022 £
<b>5. Resources expended</b>			
<u>Direct costs</u>			
Activities in year	-	-	-
<u>Support costs</u>			
Legal fees	-	-	-
Bank Charges	25	-	25
<u>Governance costs</u>			
Independent examiner's fees for reporting on the accounts incl. VAT	1,200	-	1,200
	<u>1,225</u>	<u>1,225</u>	<u>1,225</u>

The charity did not commence charitable activity in the year. Support and governance costs of £1,225 were expended in the year.

<b>6. Fees for examination of the accounts</b>	<b>2022</b>
	<b>£</b>
Independent examiner's fees for reporting on the accounts	<u>1,200</u>
Other accountancy services paid to the examiner	<u>1,200</u>

Independent examiner's fees for reporting on the accounts Other accountancy services paid to the examiner

## 7. Average number of employees

The average head count was nil as the charity did not recruit any staff in the year.

## 8. Transactions with trustees

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

### Trustees' expenses

No trustee expenses have been incurred in the year.

### Transaction(s) with related parties

There have been no related party transactions in the reporting period.

## 9. Fixed asset investments

<b>Listed investments</b>	<b>2022</b>
	<b>£</b>
Market Value at 1 Jan 2022	0
Additions	1,039,965
Disposal proceeds	0
Realised gains/(losses)	<u>(12,719)</u>
<b>Market Value at 31 December 2022</b>	<b><u>1,027,246</u></b>

Fixed assets investments comprise of an investment in a fund of listed securities. The investments held are proceeds from the endowment left by the estate of John Andrew Mcleod Hill, and have been invested, as a requirement of Trust law. The SOFA includes any realised and realised gains and losses during the year. The losses within investments are realised in unrestricted funds. The capital endowment of £1,039,965, and the movement in unrestricted funds make up total funds of the charity.

## 10. Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

## 11. Debtors and prepayments (receivable within 1 year)

	<b>2022</b>
	<b>£</b>
Funds receivable, to be transferred from estate of John Andrew Mcleod Hill	30,032
	<u><b>30,032</b></u>

## 12 Cash at bank and in hand

	<b>2022</b>
	<b>£</b>
Cash at bank – Charities Aid Foundation	975
	<u><b>975</b></u>

## 13. Creditors and accruals (payable within 1 year)

	<b>2022</b>
	<b>£</b>
Accruals -	
Independent examination of accounts	1,200
	<u><b>1,200</b></u>

## 14. Events after the end of the reporting period

In 2023, the charity became entitled to further funds from the estate of John Andrew Mcleod Hill. After costs of , those fund amounted to circa £70,000.

## 15. Analysis of funds

### Analysis of movements in endowment funds

	Fund balances brought Forward £	Incoming £	Resources £	Transfers £	Fund balances forward carried
<b>Endowment funds</b>					
Total Wealth Management	-	-	-	1,039,965	<b>1,039,965</b>
	-	-	-	<u>1,039,965</u>	<u><b>1,039,965</b></u>

Transfers into endowment funds were made out of unrestricted funds. They were initially realised within unrestricted income following the sale of property, as instructed under the donor's will. As per trust law, the funds were invested, with the Trustees adopting a mixed portfolio held by True Potential investments. The losses on the funds in the year-ended December 2022, were allocated to unrestricted funds, in keeping with Trust Law.

## 16. Capital commitments

As at 31 December 2022, the charity had no capital commitments

## 17. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Cash at bank and in hand	975	-	975
Other net current assets/(liabilities)	16,113	-	16,113
	<u>17,088</u>		<u>17,088</u>

## 18. Guarantee

There have been no guarantees given by the charity as at 31 December 2022.

## 19. Debt

There is no debt outstanding which is owed by the charity and which is secured by an excess charge on any of the assets of the charity at 31 December 2022.

## 20. Governing document

The organisation is a Charitable Incorporated Organisation - Foundation registered on 11 January 2022 as a body corporate under part 11 of the Charities Act 2011.