

GREENPEACE LIMITED

Year ended 31st December 2000



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GREENPEACE LIMITED

Annual report and financial statements for the year ended 31st December 2000

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Directors

Robin Grove-White
Ian Flooks
Martyn Day
Ian Hargreaves
Kristen Engberg

Secretary and registered office

Sarah Burton, Canonbury Villas, Islington, London N1 2PN

Company number

1314381

Auditors

BDO Stoy Hayward, 8 Baker Street, London W1U 3LL

Report of the directors for the year ended 31st December 2000

The directors present their report together with the audited financial statements for the year ended 31st December 2000.

Principal activity

The principal activity of Greenpeace is campaigning to prevent environmental abuse.

Greenpeace is funded through subscriptions, donations and other fundraising initiatives, and the profits of trading activities. In addition, it receives grants from and makes grants to other Greenpeace organisations.

Greenpeace does not accept donations from governments or companies.

Results and dividends

The income and expenditure account is set out on page 3 and shows the deficit for the year.

Greenpeace does not pay dividends.

During the year Greenpeace continued to make significant investments in recruiting new supporters, to allow us to increase the level of income available for campaigns in future years. As a direct result of investment in previous years, income from fundraising rose by over £1M. This extra income allowed more investment and a significant reduction in the deficit for the year. Expenditure on Greenpeace's campaigns and provision of information was maintained at similar levels to the previous year.

Details of Greenpeace activities throughout the year are published to supporters through the *Connect* and *Annual Review* newsletters.

There have been no events since the balance sheet date which materially affect the position of the company.

Reserve Policy

The directors plan to continue to invest large amounts in recruitment of new supporters. This investment will be funded from current cash flows together with the help of a loan from Greenpeace International.

The directors plan to maintain sufficient cash balances to allow Greenpeace to react quickly to threats and opportunities which may arise.

Greenpeace supporters

Greenpeace thanks the hundreds of thousands of supporters who contribute financially to our campaigns; the thousands of active supporters who participate in the work of Greenpeace; and all the supporters and members of the public who support Greenpeace campaigns.

Report of the directors for the year ended 31st December 2000 (continued)

Directors

The directors of Greenpeace during the year were:

Robin Grove-White
Ian Flooks
Martyn Day
Ian Hargreaves
Kristen Engberg Appointed 1 July 2000

None of the directors held any beneficial interest in the shares of the company.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent; and
- * prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting.

By order of the board



Sarah Burton

Secretary

15th June 2001

Income and expenditure account for the year ended 31st December 2000

| | Note | 2000 | 1999 |
|---|------|------------------|------------------|
| | | £ | £ |
| Income | | | |
| Subscriptions, donations and income from fundraising events | | 7,080,721 | 5,829,696 |
| Trading activities | 2 | 470,673 | 569,297 |
| Interest receivable | | 29,879 | 35,630 |
| | | <u>7,581,273</u> | <u>6,434,623</u> |
| Expenditure | | | |
| Campaigns | | 3,466,832 | 3,532,999 |
| Information | | 508,108 | 460,145 |
| Fundraising | | 611,550 | 717,030 |
| Trading activities | 2 | 234,931 | 364,128 |
| Recruitment of new supporters | | 1,727,511 | 1,126,983 |
| General marketing costs | | 501,424 | 513,740 |
| Administrative and central costs | | <u>540,703</u> | <u>502,910</u> |
| | | <u>7,591,059</u> | <u>7,217,935</u> |
| | | (9,786) | (783,312) |
| Interest payable | 4 | <u>22,950</u> | <u>4,007</u> |
| Deficit on ordinary activities before taxation | 5 | (32,736) | (787,319) |
| Tax on trading activities and interest receivable | 6 | 33,906 | 23,340 |
| Deficit for the year | 13 | <u>(66,642)</u> | <u>(810,659)</u> |

All amounts relate to continuing activities.

All recognised gains and losses are included in the income and expenditure account.

The notes on pages 6 to 10 form part of these financial statements

Balance sheet at 31st December 2000

| | Note | 2000 | 1999 |
|--|------|-------------|-------------|
| | | £ | £ |
| Fixed assets | | | |
| Tangible assets | 7 | 239,586 | 224,529 |
| Investments | 8 | 4 | 4 |
| Current assets | | | |
| Debtors | 9 | 831,189 | 618,244 |
| Cash at bank and in hand | | 1,405,698 | 520,194 |
| | | 2,236,887 | 1,138,438 |
| Creditors: amounts falling due within one year | 10 | (1,633,117) | (1,252,969) |
| Net current assets / (liabilities) | | 603,770 | (114,531) |
| Creditors: amounts falling due after more than one year | 11 | (1,200,000) | (400,000) |
| Net liabilities | | (356,640) | (289,998) |
| Capital and reserves | | | |
| Share capital | 12 | 8 | 8 |
| Income and expenditure account | 13 | (356,648) | (290,006) |
| Shareholders' funds - equity | 14 | (356,640) | (289,998) |

These financial statements were approved by the Board on 15th June 2001



Ian Flooks

Director

15th June 2001

The notes on pages 6 to 10 form part of these financial statements.

Cash flow statement for the year ended 31 December 2000

| | | 2000 | 1999 |
|---|------|-----------|-----------|
| | £ | £ | £ |
| Reconciliation of operating deficit to net cash flow from operating activities | | | |
| Deficit for the year | | (66,642) | (810,659) |
| Tax on trading activities and interest receivable | | 33,906 | 23,340 |
| Interest receivable | | (29,879) | (35,630) |
| Interest payable | | 22,950 | 4,007 |
| Operating deficit | | (39,665) | (818,942) |
| Depreciation charges | | 153,985 | 140,971 |
| Loss on disposal of fixed assets | | 900 | 6,969 |
| Increase in debtors | | (212,945) | (54,807) |
| Increase in creditors | | 349,269 | 54,713 |
| Net cash inflow / (outflow) from operating activities | | 251,544 | (671,096) |
| | Note | 2000 | 1999 |
| CASH FLOW STATEMENT | | | |
| Net cash inflow / (outflow) from operating activities | | 251,544 | (671,096) |
| Returns on investments and servicing of finance | | | |
| Interest received | | 29,879 | 35,630 |
| Interest paid | | (200) | (193) |
| Net cash inflow from returns on investments and servicing of finance | | 29,679 | 35,437 |
| Taxation | | | |
| Corporation tax paid | | (25,777) | (5,000) |
| Capital expenditure and financial investment | | | |
| Payments to acquire tangible fixed assets | | (170,914) | (171,150) |
| Proceeds from sale of fixed assets | | 972 | 4,681 |
| Net cash outflow from investing activities | | (169,942) | (166,469) |
| Financing | | | |
| Unsecured loan repayable by 31st December 2003 | 11 | 800,000 | 400,000 |
| Increase / (decrease) in cash | 16 | 885,504 | (407,128) |

The notes on pages 6 to 10 form part of these financial statements.

Notes forming part of the financial statements for the year ended 31st December 2000

1. Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Fundraising income

Subscriptions, donations and income from fundraising events represent amounts received in the year.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated at the following rates:

| | | |
|--------------------|---|----------------------------|
| Action equipment | - | 25% on straight line basis |
| Office equipment | - | 20% on straight line basis |
| Computer equipment | - | 25% on straight line basis |
| Motor vehicles | - | 25% on straight line basis |

Leasehold improvements

Expenditure in improving leasehold premises is written off as incurred.

Operating leases

Where assets are financed by leasing agreements that do not give rights approximating to ownership ('operating leases'), the annual rentals are charged to the income and expenditure account on a straight-line basis over the lease term.

Pension costs

Contributions to the company's defined contribution pension scheme are charged to the income and expenditure account in the year in which they become payable.

| | 2000 £ | 1999 £ |
|--|----------------|----------------|
| 2. Net profit on trading activities | | |
| Trading account: | | |
| Turnover | 470,673 | 569,297 |
| Less: | | |
| Cost of sales | 159,643 | 270,265 |
| Trading expenses | 75,288 | 93,863 |
| | 234,931 | 364,128 |
| Net profit on trading activities | <u>235,742</u> | <u>205,169</u> |

Turnover

Turnover represents sales of merchandise to outside customers at invoiced amounts less value added tax, subscriptions to a business journal published by Greenpeace and income from commercial events in which Greenpeace participated.

Notes forming part of the financial statements for the year ended 31st December 2000

| | 2000 | 1999 |
|---|------------------|------------------|
| | £ | £ |
| 3. Employees | | |
| Staff costs (including directors) consist of: | | |
| Wages and salaries | 2,410,601 | 2,177,946 |
| Social security costs | 224,906 | 207,521 |
| Other pension costs | 88,962 | 80,399 |
| Redundancy costs | 18,903 | 26,894 |
| | <u>2,743,372</u> | <u>2,492,760</u> |
| | | |
| | 2000 | 1999 |
| | Number | Number |
| The average number of employees (excluding directors) during the year was as follows: | | |
| Campaigns and information | 70 | 63 |
| Fundraising, marketing and new supporter recruitment | 14 | 14 |
| Administration and central services | 15 | 15 |
| | <u>99</u> | <u>92</u> |
| | | |
| 4. Interest payable | 2000 | 1999 |
| | £ | £ |
| Interest on bank overdrafts and short term loans | 200 | 193 |
| Interest on long term loan (see Note 11) | 22,750 | 3,814 |
| | <u>22,950</u> | <u>4,007</u> |
| | | |
| 5. Deficit on ordinary activities before taxation | | |
| This is arrived at after charging: | | |
| Depreciation | 153,985 | 140,971 |
| Auditors' remuneration | 24,000 | 24,000 |
| Directors' emoluments | 24,484 | 29,817 |
| Hire of plant and machinery (operating leases) | 15,796 | 15,937 |
| Loss on disposal of fixed assets | 900 | 6,969 |
| | <u></u> | <u></u> |
| Emoluments (excluding pension contributions) of: | | |
| Chairperson | <u>8,400</u> | <u>8,268</u> |
| | | |
| | 2000 | 1999 |
| | Number | Number |
| The number of other directors whose emoluments (excluding pension contributions) fall in the following ranges was : | | |
| £0 - £5,000 | 4 | 3 |
| £5,000 - £10,000 | - | 1 |
| | <u>4</u> | <u>4</u> |

Notes forming part of the financial statements for the year ended 31st December 2000

| | 2000 | 1999 |
|---|--------|--------|
| | £ | £ |
| 6. Tax on trading activities and interest receivable | | |
| Corporation tax for the year | 33,906 | 23,340 |

The other activities of Greenpeace fall outside the scope of taxation.

7. Tangible fixed assets

| | Action equipment £ | Office equipment £ | Computer equipment £ | Motor vehicles £ | Total £ |
|-----------------------|--------------------------|--------------------------|----------------------------|------------------------|------------|
| Cost | | | | | |
| At beginning of year | 197,489 | 340,357 | 623,584 | 110,086 | 1,271,516 |
| Additions | 70,188 | 5,190 | 91,270 | 4,266 | 170,914 |
| Disposals | - | - | (2,496) | (9,870) | (12,366) |
| At end of year | 267,677 | 345,547 | 712,358 | 104,482 | 1,430,064 |
| Depreciation | | | | | |
| At beginning of year | 154,681 | 315,058 | 514,130 | 63,118 | 1,046,987 |
| Disposals | - | - | (624) | (9,870) | (10,494) |
| Provided in the year | 36,474 | 19,190 | 79,198 | 19,123 | 153,985 |
| At end of year | 191,155 | 334,248 | 592,704 | 72,371 | 1,190,478 |
| Net book value | | | | | |
| At 31st December 2000 | 76,522 | 11,299 | 119,654 | 32,111 | 239,586 |
| At 31st December 1999 | 42,808 | 25,299 | 109,454 | 46,968 | 224,529 |

8. Investment

The information required by the Companies Act 1985 in relation to the subsidiary undertakings is given below.

| Company | Principal activity | Called up share capital | Proportion held |
|---------------------------|-----------------------|----------------------------|--------------------|
| Greenpeace Events Limited | Dormant | £2 | 100% |
| solar electric ltd | Dormant | £2 | 100% |

Each of the subsidiary undertakings has £2 share capital and £2 assets.

Notes forming part of the financial statements for the year ended 31st December 2000

| | 2000 | 1999 |
|---|------------------|------------------|
| | £ | £ |
| 9. Debtors | | |
| Trade debtors | 516,408 | 22,666 |
| Amounts owed by other Greenpeace organisations | 97,681 | 16,202 |
| Other debtors | 50,449 | 11,912 |
| VAT recoverable | 58,847 | 297,400 |
| Prepayments and accrued income | 107,804 | 270,064 |
| | <u>831,189</u> | <u>618,244</u> |
| All amounts are receivable within one year. | | |
| 10. Creditors: Amounts falling due within one year | | |
| Amounts owed to other Greenpeace organisations | 37,177 | 65,090 |
| Amount owed to ultimate parent company | 18,088 | 18,088 |
| Other creditors | 1,292,762 | 1,017,325 |
| Creditors for taxation and social security | 155,094 | 72,804 |
| Accruals and deferred income | 98,108 | 55,903 |
| Corporation Tax | 31,888 | 23,759 |
| | <u>1,633,117</u> | <u>1,252,969</u> |
| 11. Creditors: Amounts falling due after one year | | |
| Unsecured loan repayable by 31st December 2003 | <u>1,200,000</u> | <u>400,000</u> |
| £1,200,000 represents a loan from Greenpeace International to assist the company in its recruitment of new supporters. The loan is repayable by 31st December 2003 and bears simple interest at 3% pa. | | |
| 12. Share capital | | |
| Authorised: | | |
| Ordinary shares of £1 each | <u>100</u> | <u>100</u> |
| Allotted and called up | | |
| Ordinary shares of £1 each | <u>8</u> | <u>8</u> |
| 13. Income and expenditure account | | |
| Net (liabilities) / assets at beginning of year | (290,006) | 520,653 |
| Deficit for the financial year | <u>(66,642)</u> | <u>(810,659)</u> |
| Net liabilities at end of year | <u>(356,648)</u> | <u>(290,006)</u> |

Notes forming part of the financial statements for the year ended 31st December 2000

| | 2000 | 1999 |
|--|------------------|------------------|
| | £ | £ |
| 14. Reconciliation of movement in shareholders' funds | | |
| Deficit for the financial year | (66,642) | (810,659) |
| Opening shareholders' funds | (289,998) | 520,661 |
| Shareholders' funds at end of year | <u>(356,640)</u> | <u>(289,998)</u> |

15. Commitments under operating leases

As at 31st December 2000, the company had annual commitments under non-cancellable leases as set out below:

| | 2000 Land and buildings £ | 2000 Other £ | 1999 Land and buildings £ | 1999 Other £ |
|--------------------------------|------------------------------------|--------------------|------------------------------------|--------------------|
| Operating leases which expire: | | | | |
| Within 1 year | - | 15,924 | - | - |
| In 2 - 5 years | - | - | - | 15,668 |
| Over 5 years | 135,600 | - | 135,600 | - |
| | <u>135,600</u> | <u>15,924</u> | <u>135,600</u> | <u>15,668</u> |

| | 2000 | 1999 |
|--|------------------|------------------|
| | £ | £ |
| 16. Analysis of changes in cash during the year | | |
| At start of year | 520,194 | 927,322 |
| Net cash inflow / (outflow) | <u>885,504</u> | <u>(407,128)</u> |
| At end of year | <u>1,405,698</u> | <u>520,194</u> |

17. Ultimate parent company

The company's ultimate parent company is Greenpeace UK Limited, a company limited by guarantee.

Report of the auditors

To the members of Greenpeace Limited

We have audited the financial statements on pages 3 to 10 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st December 2000 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BDO Stoy Hayward.

BDO Stoy Hayward,
Chartered Accountants
and Registered Auditor

London

15/6/01