

41

GREENPEACE UK LIMITED

Company Number 2463348
Company Limited By Guarantee

Report and financial statements
Year ended 31st December 2010

FRIDAY



L14 "L4ALAXZQ" 30/09/2011 36
COMPANIES HOUSE

GREENPEACE UK LIMITED

Annual report and financial statements for the year ended 31st December 2010

Contents

Page

- 1 Report of the directors
 - 4 Report of the auditors
 - 5 Income and expenditure account
 - 6 Balance sheet
 - 7 Cash flow statement
 - 8 Notes forming part of the financial statements
-

Directors

Dr Susan Mayer
Ros Coward
Andrew Simms
Dan Rabinowitz
Susan Cooper
Andrew McParland (Appointed 11 November 2010)
Charlotte Grimshaw (Appointed 10 March 2011)

Secretary and registered office

John Sauven, Canonbury Villas, Islington, London N1 2PN

Company number

2463348

Auditors

Gotham Erskine LLP, Friendly House, 52-58 Tabernacle Street, London EC2A 4NJ

Report of the directors for the year ended 31st December 2010

The directors present their report together with the audited financial statements for the year ended 31st December 2010

Principal activity

The principal aim of the company is to further the protection of wildlife and the elimination of threats and damage to the environment

All activities are carried out through the subsidiary company, Greenpeace Limited, which campaigns to prevent environmental abuse. Greenpeace Limited is a wholly owned subsidiary registered in England

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

Review of Operations

Subscribers to Greenpeace receive details of Greenpeace activities throughout the year in the *Connect* newsletter. Details of Greenpeace activities are also available from our website www.greenpeace.org.uk

Halting **climate change** remained the focus of Greenpeace campaigns in 2010, and will continue in 2011. In 2010, our campaigners on the Greenpeace ship *Esperanza* challenged the reckless attempts of the oil industry to expand exploration into the Arctic seas, and on land we succeeded in stopping the third runway at Heathrow, helped by the 91,000 supporters who signed up to become beneficial owners of our *Airplot* land in the middle of the proposed third runway site

Stopping **deforestation** is also one of the fastest ways to tackle climate change. In 2010, after a two year investigation we revealed the links between rainforest clearance in Indonesia and supplies of palm oil to Nestlé. After 1.5 million people around the world watched our spoof KitKat advert, and sent over 200,000 emails to Nestlé, the company agreed to our demands to cancel its contracts and to introduce a policy excluding companies linked to rainforest destruction from its entire supply chain

In the **oceans** our ships continue to patrol the seas to expose destructive fishing practices and protect marine life. One goal of this work is the creation of large-scale marine reserves to prevent the collapse of fisheries and restore the health of our oceans - and 2010 saw the creation of the world's largest fully protected marine reserve around the Chagos archipelago in the Indian Ocean. Greenpeace ships continue to travel the globe exposing the environmental crimes which are destroying marine life and ecosystems

Greenpeace supporters

Greenpeace thanks the thousands of supporters who subscribe to Greenpeace and 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

Results and dividends

The consolidated income and expenditure account (which reflects the results of Greenpeace Limited only as the company had no income or expenditure in the year) is set out on page 5 and shows the surplus for the year

The company is limited by guarantee and cannot pay dividends

Despite the continuing poor state of the economy, income from subscriptions and donations from supporters rose by 5½% in 2010 to £8,931k, not least from donations to fund the new Greenpeace flagship, *The Rainbow Warrior III*. Grants from other Greenpeace organisations of £539k were almost the same as 2009. After a particularly successful year in 2009, income from commercial trading activities, such as *Glastonbury*, fell back to a more normal level. These resulted in an overall increase of £319k in total income to £10,055k in 2010

Report of the directors for the year ended 31st December 2010 (continued)

Key financial performance indicators	2010	2009
Growth / (decline) in subscriptions and donations	473,026	(158,476)
Percentage change on previous year	5.6%	(1.8%)
Growth in supporter income is a key indicator of our financial sustainability		
Regular payment income (by standing order and direct debit) as a percentage of total subscriptions and donations	83.6%	87.1%
Growth / (decline) in regular payment income	101,211	16,057
Percentage change on previous year	1.4%	0.2%
Regular payment income provides stability for planning, and independence for campaigns		
Net current assets as a proportion of total expenditure - in months	3.0	3.1
Provides a simple measure of our ability to withstand financial shocks		

After reducing expenditure in 2009 to manage the potential impact of the economic crisis on our finances, expenditure rose again in 2010. Expenditure on our campaigns (including contributions to the cost of the new Greenpeace flagship *The Rainbow Warrior III* funded by supporter donations) rose, and we also significantly increased expenditure on the recruitment of new supporters to Greenpeace, to protect and grow our income in future years. Overall, expenditure was increased by £957k to £9,845k in 2010.

Despite the very significant increase in expenditure, and impact of the weak state of the UK economy on fundraising, the surplus for the year was £181k. As a result, the financial position of Greenpeace at the end of 2010 continued to be sound, with solid reserves, which will allow us to increase expenditure in 2011 and beyond. 84% of subscriptions and donations income is received from the many thousands of supporters subscribing to Greenpeace by regular direct debit and standing order bank transfers, providing a steady stream of income for future years.

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

Risks and uncertainties

The directors have considered the major financial risks which face Greenpeace: the possible loss of supporter income, and potential legal action which might be taken against the company as a result of campaigning activities. All potential legal risks are closely monitored and managed. Systems are in place to minimise any risk to the main income streams from subscribers paid by regular direct debit and standing order bank transfers.

Reserves Policy

The directors plan to maintain sufficient cash balances to allow Greenpeace to react quickly to threats and opportunities which may arise. Net current assets remain close to £2½M at the end of the year, which is higher than would normally be required by Greenpeace. Despite continuing economic uncertainty, the directors plan to allow higher expenditure levels for the next year, while still maintaining sufficient reserves to cover any unforeseeable economic problems which might arise.

Directors

The directors of Greenpeace during the year were

Dr Susan Mayer
 Ros Coward
 Andrew Simms
 Dan Rabinowitz
 Susan Cooper
 Andrew McParland (Appointed 11 November 2010)
 Janet Miller (Resigned 7 July 2010)

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

Report of the directors for the year ended 31st December 2010 (continued)

Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they show a true and fair view of the state of affairs of the group and company and of the surplus or deficit of the group 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 are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

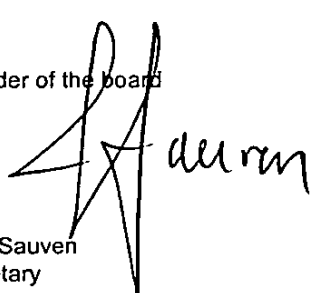
The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors have confirmed that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware, and that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Gotham Erskine LLP have indicated their willingness to accept re-appointment under Section 485 of the Companies Act 2006.

By order of the board


John Sauven
Secretary

26 April 2011

Independent Auditors' Report to the Members of
Greenpeace UK Ltd (registered company no 2463348)

We have audited the group and parent company financial statements of Greenpeace UK Limited for the year ended 31st December 2010 which comprise the consolidated Income and Expenditure Account, the Group and Company Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

As explained more fully in the Statement of the Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of evidence whether the accounting policies are appropriate to the group's and parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31st December 2010 and of the group's profit and cash flows for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- have been properly prepared in accordance with the Companies Act 2006

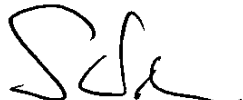
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of the directors' remuneration specified by law are not made, or
- we have not received all of the information and explanations we require for our audit



Simon Erskine, Senior Statutory Auditor

For and on behalf of
Gotham Erskine LLP
Chartered Accountants and Statutory Auditors
Friendly House
52 - 58 Tabernacle Street
London
EC2A 4NJ

Date 4.5.11

Consolidated income and expenditure account for the year ended 31st December 2010

	Note	Group 2010	Group 2009
		£	£
Income			
Subscriptions, donations and income from fundraising events		8,931,180	8,458,154
Trading activities	2	497,787	701,570
Grants from other organisations		87,131	34,418
other Greenpeace organisations		539,380	542,428
		<u>10,055,478</u>	<u>9,736,570</u>
Expenditure			
Campaign Expenditure		5,830,159	5,093,292
Information		876,602	750,608
Fundraising		720,318	1,027,416
Trading activities	2	251,526	240,827
Recruitment of new supporters		838,154	557,487
General marketing costs		908,751	818,740
Administrative and central costs		419,161	399,614
Total Expenditure		<u>9,844,671</u>	<u>8,887,984</u>
Operating surplus		210,807	848,586
Interest receivable		11,672	16,498
Interest payable	4	(11)	(9)
Surplus on ordinary activities before taxation	5	<u>222,468</u>	<u>865,075</u>
Taxation	6	42,000	102,413
Surplus for the year	11	<u><u>180,468</u></u>	<u><u>762,662</u></u>

All amounts relate to continuing activities

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

The notes on pages 8 to 13 form part of these financial statements

Balance sheets at 31st December 2010

	Note	Group 2010		Group 2009		Company 2010		Company 2009	
		£	£	£	£	£	£	£	£
Fixed assets									
Tangible assets	7		249,954		196,433		-		-
Investment	8		-		-		2,896		2,896
Current Assets									
Debtors	9	541,013		293,987		18,088		18,088	
Cash at bank and in hand		2,508,286		2,794,677		472		472	
		3,049,299		3,088,664		18,560		18,560	
Creditors amounts falling due within one year	10	(588,936)		(755,248)		(451)		(451)	
Net current assets			2,460,363		2,333,416		18,109		18,109
Total assets less current liabilities			2,710,317		2,529,849		21,005		21,005
Creditors amounts falling due after more than one year			-		-		-		-
Net assets			2,710,317		2,529,849		21,005		21,005
Reserves									
Income and expenditure account	11		2,710,317		2,529,849		21,005		21,005
			2,710,317		2,529,849		21,005		21,005

These financial statements were approved and authorised for issue by the Board on 26 April 2011



Susan Cooper

Director

The notes on pages 8 to 13 form part of these financial statements

Consolidated cash flow statement for the year ended 31 December 2010

	Group 2010	Group 2009
	£	£
Reconciliation of operating surplus to net cash flow from operating activities		
Operating surplus	210,807	848,586
Depreciation charges	152,621	125,519
Loss / (profit) on disposal of fixed assets	377	(462)
(Increase) / decrease in debtors	(244,210)	210,267
(Decrease) in creditors	(108,589)	(125,205)
Net cash inflow from operating activities	<u>11,006</u>	<u>1,058,705</u>
	Group 2010	Group 2009
	£	£
CASH FLOW STATEMENT		
Net cash inflow from operating activities	11,006	1,058,705
Returns on investments and servicing of finance		
Interest received	11,672	16,498
Interest paid	<u>(11)</u>	<u>(9)</u>
Net cash inflow from returns on investments and servicing of finance	11,661	16,489
Taxation		
Corporation tax paid	(102,539)	(11,829)
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(206,619)	(62,819)
Proceeds from sale of fixed assets	<u>100</u>	<u>5,661</u>
Net cash outflow from investing activities	(206,519)	(57,158)
(Decrease) / Increase in cash	<u>(286,391)</u>	<u>1,006,207</u>
Note 14		

The notes on pages 8 to 13 form part of these financial statements

Notes forming part of the financial statements for the year ended 31st December 2010

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:

Basis of Consolidation

These financial statements consolidate the results of the parent company and its wholly owned subsidiary, Greenpeace Limited, on a line by line basis. No separate income and expenditure account has been presented for the parent company alone as permitted by section 408 of the Companies Act 2006. There were no movements on the income and expenditure account of the parent company in the year.

Parent company income and expenditure

The parent company had no income or expenditure during the year or the preceding financial year. Accordingly, in the notes that follow all references to income and expenditure relate solely to the subsidiary company Greenpeace Limited.

Fundraising income

Subscriptions, donations and income from fundraising events represent amounts received in the year from activities carried out in the United Kingdom.

Expenditure analysis

Expenditure is analysed between activities based on the staff costs and direct costs of each area, plus a share of general office and admin costs. "Campaigns" includes the costs of direct campaigning activities on specific issues, as well as the costs of teams managing actions and investigations, policy, science and political work, press work, plus contributions to Greenpeace International. "Information" costs include the costs of our web team, publications team, and supporter newsletter costs. "Fundraising" includes the costs of raising money from existing supporters - the costs of "Recruitment of new supporters" to Greenpeace are identified separately. "General marketing costs" include the costs of most staff in fundraising and supporter recruitment, and their share of general office and admin costs. "Administration and central costs" represent administration functions not attributable to campaign, fundraising or information work.

Grants

Grants income is deferred to the extent that it has not been spent.

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

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.

Deferred taxation

Deferred tax balances are recognised in respect of all material timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Notes forming part of the financial statements for the year ended 31st December 2010

2 Net profit on trading activities

	2010	2009
	£	£
Trading account		
Turnover	497,787	701,570
Less		
Cost of sales	169,640	159,460
Trading expenses	81,886	81,367
	251,526	240,827
Net profit on trading activities	246,261	460,743

Turnover

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

3 Employees

Staff costs (including directors) consist of

Wages and salaries	4,121,768	3,953,411
Social security costs	401,231	407,126
Other pension costs	326,811	282,984
Redundancy costs	-	19,298
	4,849,810	4,662,819

The average number of employees (excluding directors) employed by the group during the year was as follows

	2010	2009
	Number	Number
Campaigns and information	72	74
Fundraising, marketing and new supporter recruitment	23	21
Administration and central services	19	16
	114	111

4 Interest payable

	2010	2009
	£	£
Interest on bank overdrafts and short term loans	11	9
	11	9

Notes forming part of the financial statements for the year ended 31st December 2010

5 Surplus on ordinary activities before taxation

	2010	2009
	£	£
This is arrived at after charging		
Depreciation	152,621	125,519
Auditors' services	15,950	15,020
- audit		
- other	5,643	3,330
Directors' emoluments	42,216	50,230
Operating leases	3,205	3,161
- hire of plant and machinery		
- land and buildings	5,417	5,250
Loss / (profit) on disposal of fixed assets	378	(426)

Directors' annual salaries

Board Chair	13,176	13,046
Other directors	6,336	6,271

All the directors are also directors of the subsidiary, Greenpeace Limited

Salaries are paid for the duration of a director's appointment. Directors may decline a salary. The company does not make pension contributions to or on behalf of its directors. Greenpeace re-imburses travel and related expenses incurred on Greenpeace business by directors, for attendance at meetings in the UK and overseas.

6 Taxation on trading profit

UK corporation tax for the year	42,000	102,539
Adjustment in respect of previous years	-	(126)
Total current tax	42,000	102,413

The tax assessed for the year is different from the standard rate of corporation tax in the UK. The differences are explained below.

Trading profit (see note 2)	246,261	460,743
Add interest received	11,672	16,498
Profit before tax	257,933	477,241
Trading profit at the standard rate of corporation tax in the UK of 21% (2009-28%)	54,166	133,626
Less marginal small companies relief	-	(18,674)
Effects of		
Additional allowable expenses	(6,270)	(7,249)
Capital allowances for the year in excess of depreciation	(6,318)	(5,035)
Profit on disposal of fixed assets	-	(129)
Adjustment to tax charge in respect of previous years	-	(126)
Additional provision in respect of current year	422	-
Current tax charge for the year	42,000	102,413

A deferred tax asset of £2,201 has not been recognised

Notes forming part of the financial statements for the year ended 31st December 2010

7 Tangible fixed assets

	Action equipment £	Office equipment £	Computer equipment £	Motor vehicles £	Total £
Cost					
At beginning of year	477,975	409,124	811,616	128,694	1,827,409
Additions	5,889	35,364	165,366	-	206,619
Disposals	-	-	(21,321)	-	(21,321)
At end of year	483,864	444,488	955,661	128,694	2,012,707
Depreciation					
At beginning of year	465,550	398,516	667,769	99,141	1,630,976
Disposals	-	-	(20,844)	-	(20,844)
Provided in the year	8,224	12,895	115,898	15,604	152,621
At end of year	473,774	411,411	762,823	114,745	1,762,753
Net book value					
At 31st December 2010	10,090	33,077	192,838	13,949	249,954
At 31st December 2009	12,425	10,608	143,847	29,553	196,433

The parent company does not hold any fixed assets

8 Investment

	2010 £	2009 £
Shares in subsidiary undertaking Greenpeace Limited		
Cost at beginning and end of year	2,896	2,896

The principal activity of the subsidiary undertaking, Greenpeace Limited, is campaigning to prevent environmental abuse. Greenpeace Limited is a wholly owned subsidiary registered in England.

The information required by the Companies Act 2006 in relation to subsidiary undertakings is given below

Net assets at 31st December	2,692,218	2,511,750
Surplus for the year ended 31st December	180,468	762,662
Called up share capital	£8	
Proportion Held	100%	

The subsidiary undertaking Greenpeace Limited wholly owns "solar electric limited", a dormant company registered in England, with £2 share capital and £2 net assets

Investments in group undertakings are stated at cost
There has been no movement in investment holdings in the year

Notes forming part of the financial statements for the year ended 31st December 2010

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
9 Debtors				
Trade debtors	42,770	58,627	-	-
Owed by other Greenpeace organisations	83,729	45,099	-	-
Long term loan to Greenpeace International	200,000	-	-	-
Other debtors	32,890	37,445	-	-
VAT recoverable	51,968	36,907	-	-
Prepayments and accrued income	129,656	115,909	-	-
Due from subsidiary undertaking	-	-	18,088	18,088
	<u>541,013</u>	<u>293,987</u>	<u>18,088</u>	<u>18,088</u>

The long term loan to Greenpeace International to assist in the financing of the Rainbow Warrior III is repayable over ten years. All other amounts are receivable within one year.

10 Creditors Amounts falling due within one year

Owed to other Greenpeace organisations	57,800	26,948	-	-
Trade creditors	289,749	267,176	-	-
Creditors for taxation and social security	121,733	160,636	-	-
Accruals and deferred income	77,654	197,949	451	451
Corporation tax	42,000	102,539	-	-
	<u>588,936</u>	<u>755,248</u>	<u>451</u>	<u>451</u>

11 Income and expenditure accounts

	2010	2009
	£	£
Group:		
Surplus at beginning of year	2,529,849	1,767,187
Surplus for the financial year	180,468	762,662
Surplus at end of year	<u>2,710,317</u>	<u>2,529,849</u>
Company		
Surplus at beginning of year	21,005	21,005
Surplus for the financial year	-	-
Surplus at end of year	<u>21,005</u>	<u>21,005</u>

12 Company limited by guarantee

The company is limited by guarantee and hence has no share capital.
There were twenty-eight guarantors of £1 each as at 31st December 2010.

Notes forming part of the financial statements for the year ended 31st December 2010

13 Commitments under operating leases

As at 31st December 2010, the parent company had no annual commitments under non-cancellable leases. Those of the subsidiary are set out below

	2010 Land and buildings £	2010 Other £	2009 Land and buildings £	2009 Other £
Operating leases which expire				
Within 1 year	-	3,248	-	-
Within 2 - 5 years	-	-	-	3,205
Over 5 years	400,000	-	400,000	-
	<u>400,000</u>	<u>3,248</u>	<u>400,000</u>	<u>3,205</u>

In relation to the commitments under the lease for land and buildings shown above, the lease runs for a further 12 years until 2023, but the subsidiary has the right to determine the lease within 2 years. The subsidiary received a partial waiver of rent for the period 1st August 2009 to 31st July 2010, and has received a further partial waiver of rent for the period 1st August 2010 to 31st July 2011.

	2010 £	2009 £
14 Analysis of changes in cash during the year		
At start of year	2,794,677	1,788,470
Net cash (outflow) / inflow	<u>(286,391)</u>	<u>1,006,207</u>
At end of year	<u>2,508,286</u>	<u>2,794,677</u>

15 Post Balance Sheet Events

In the opinion of the Directors there have been no events since the year end date not disclosed above that have had a material effect on the company.