

**THE GREEN ALLIANCE TRUST**  
(A Company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003



Company No: 3037633  
Company No: 1045395

THE GREEN ALLIANCE TRUST

CONTENTS

---

	<b>Page</b>
Legal and administrative information	1
Report of the trustees	2-6
Report of the auditors	7
Statement of financial activities	8
Balance Sheet	9
Notes forming part of the financial statements	10-16

# THE GREEN ALLIANCE TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

---

Legal status	The organisation is a charitable company limited by guarantee and as such is governed by its Memorandum and Articles of Association.
Directors and Trustees	A Hams (Chair) A G Gifford R Bidwell T Burke R Grove-White (Resigned 10 September 2002) N Haigh D Mackenzie D Mattinson (Appointed 4 March 2003) D Osborn P Parker (Appointed 23 June 2003) A Phillips A Purkis F Reynolds
Secretary	K. Crane
Company Number	3037633 (England and Wales)
Charity Number	1045395
Registered Office	40 Buckingham Palace Road London SW1W 0RE
Auditors	Trustient Chartered Accountants & Registered Auditors Buckingham House East The Broadway Stanmore Middlesex HA7 4EB
Solicitors	Bates, Wells and Braithwaite Cheapside House 138 Cheapside London EC2V 6BB
Bankers	Natwest Bank Cavell House 2a Charing Cross Road London WC2H 0PD

## THE GREEN ALLIANCE TRUST

### REPORT OF THE TRUSTEES (INCORPORATING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2003

---

The trustees present their report and accounts for the year ended 31 March 2003.

#### Review of the Year

2002-03 saw a number of major policy events at government level on spending, waste and energy policy to which we were able to respond successfully. Our projects focusing on energy and sustainable consumption were very timely, and they have influenced major policy developments.

We worked with the Treasury's environmental team to encourage a greener 2002 Spending Review and environmental tax strategy. One immediate result was increased funding for greener agriculture, while a longer-term outcome was the establishment of a new on-going relationship between Green Alliance and the Treasury. Regular meetings with DEFRA and DTI ministers and staff throughout the year on various policy issues also helped to maintain our good relations with these departments.

With the major environmental NGOs, we focused on joint strategy, holding the first ever residential planning session for NGO chief executives and their policy heads in autumn 2002. This led to an agreed joint agenda for action. The groups also affirmed our role as a well-placed co-ordinator of joint responses to political events affecting the environment. During this year examples of such responses steered by Green Alliance were around the Government's Waste Strategy and Energy Review, with groups collaborating, with our help, on joint positions and press statements.

We increased activity in 2002-03 on the European agenda, working with a wider field of organisations in our role as chair of the UK branch of the European Environmental Bureau (EEB), a network of European environmental groups. We particularly focused on smaller UK environmental organisations with limited knowledge of European policy, and these groups have since participated more in the network's activities and are now more confidently engaged in the EU policy agenda.

We produced an influential report on the Convention on the Future of Europe, in which we recommended that the EU should be much more progressive on sustainable development. This report was referred to by the members of the EEB and by the UK members of the Convention in their efforts to influence the new draft EU Constitution. Key clauses on environment and sustainable development have been restored to the document as a direct consequence.

Green Alliance contributed to the national strategic review of waste policy in 2002, with a detailed study of progressive waste policies abroad. The Prime Minister's Strategy Unit's review took on board many of our recommendations and the UK waste debate is now moving towards waste minimisation and recycling, and away from disposal issues. While many bodies contributed to the Strategy Unit's work, we can claim credit for significantly influencing the outcome. A seminar we ran for the Conservatives this year used the results of this project to help the party to formulate its own waste strategy. This was part of our programme of work with opposition MPs, helping to stimulate robust parliamentary debate on environment policy.

*Precaution in Practice*, published in May 2002, presented a cross-sectoral consensus on precaution, as a way of making decisions under scientific uncertainty. The report was well received by government, business and NGOs alike and provides firm guidelines on implementing precaution in decision-making.

We published *Next steps for energy taxation: a survey of business views* in November 2002 jointly with the Institute of European Environmental Policy and the Policy Studies Institute. This survey of 24 UK businesses assessed progress on reducing the UK's carbon intensity and discussed how economic instruments could be further developed to deliver a low-carbon future. Our recommendations on this were taken on board in the Treasury's review of environmental taxation. Two seminars we held with Greenpeace, on achieving carbon reduction targets without nuclear power, resulted in recommendations on the phasing out of nuclear power in favour of renewable energy. These were subsequently adopted in the government's energy White Paper, published in February 2003.

## THE GREEN ALLIANCE TRUST

### REPORT OF THE TRUSTEES (INCORPORATING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2003

---

Throughout the year, we worked on a major project, supported by the Sustainable Technologies Initiative, to promote the environmental benefits of producers becoming service providers, eg providing adequate warmth rather than energy. The service model is already widely used by the US chemicals industry. The network we have created as part of the project now shares experiences in the UK of business developments in this area, helping to popularise the concept and move the UK forward on this agenda. The success of this work has also led to Green Alliance's involvement in a number of other initiatives, including a European network.

The Green Globe Task Force (a network of experts on international environmental policy based at Green Alliance) provided advice to government departments during the year on the Johannesburg World Summit on Sustainable Development, international environment strategy and climate change policy.

Improvements to our communications included the relaunch of our quarterly magazine *Inside Track*, and the initiation of our website development strategy. A number of our reports were published on-line, a low-cost, highly accessible way of spreading the results of our work more widely, which we intend to expand in the future.

Internally, this year we produced a new statement on work-life balance, emphasising our commitment to staff welfare and development. We promoted more positions for volunteers and secondees to expand our work capacity, with great success, with nine people donating their time and skills to the organisation during the year. We also reviewed the terms of reference and job descriptions of our Executive Committee, and set up a new sub-group of trustees to address finance and management issues.

Overall, our work closely followed our planned programme for 2002-03, and we met many of the challenges we set ourselves. We said we wanted to establish a progressive, cross-sectoral coalition to influence the government's environmental agenda. This was achieved in a number of areas of our work, notably on the Spending Review and our waste policy work. Both projects were successful at involving a broad cross-section of our stakeholders in government, business and NGOs. We aimed to improve NGO joint strategy. This we did through the NGO strategy awayday year, which will help to give stronger direction to future joint NGO initiatives. We aimed to engage with other agendas, developing new contacts on those agendas. This has been achieved on both our service model project and our work on the Convention for the Future of Europe. And we wanted to give a higher profile to the environmental view with rapid responses to policy developments affecting the environmental agenda. Again, the environmental view on the Spending Review, taxation and waste policy all received good media attention throughout the year, as a result of our increased promotional efforts.

In 2003-04, alongside continuing work, we have new projects underway or planned on micro-renewable energy; producer responsibility and waste; health and the environment; incentives to behavioural change; business engagement in public environmental policy; and design and the environment. We also plan to focus on membership development and will be launching a new website towards the end of 2003.

#### **Funding sources**

A major grant from the Esmée Fairbairn Foundation supported projects across all our workstreams. DEFRA's Environmental Action Fund supported NGO co-ordination, rapid response and European work with UK organisations. Further core donations were received from the Cecil Pilkington Charitable Trust and the Westminster Foundation. The following organisations contributed to individual projects with funding or in-kind donations: EB Nationwide – creative policy packages for waste; DTI's Sustainable Technology Initiative, Yorkshire Forward, TXU, Chemical Industries Association – service innovation for sustainability; DEFRA – sustainable development strategy; Marks and Spencer – *Brand Green* pamphlet reprint; Environment Agency – energy taxation, producer responsibility; Greenpeace Trust – business engagement in public policy; Greenpeace UK – nuclear seminars; WWF and RSPB – Treasury project; Foreign and Commonwealth Office – Green Globe Task Force; Webb Memorial Trust – rapid response. The following organisations sponsored Green Alliance events and publications: United Utilities – summer reception; ESTET – annual meeting. Thames Water sponsored the Green Alliance communications programme in 2002. Approximately one fifth of Green Alliance's funding comes from membership, subscriptions and publication sales.

## THE GREEN ALLIANCE TRUST

### REPORT OF THE TRUSTEES (INCORPORATING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2003

---

#### Financial review

The charity's income was £438,776 in the year ended 31 March 2003 compared to £468,634 in the year to 31 March 2002. The total expenditure was £455,901 for the twelve months to 31 March 2003 compared to £413,971 in the twelve months to 31 March 2002. The fund balance carried forward at 31<sup>st</sup> March 2003 was £100,922, consisting of £74,147 of unrestricted general funds, £8,484 of designated funds and £18,291 of restricted funds for ongoing projects. The full Statement of Financial Activities is set out on page 8 of these accounts.

Details of the restricted funds are given in note 15 to the accounts. The trustees are confident that adequate resources are available to enable completion of these projects.

The Green Alliance Trust holds no significant assets apart from office equipment.

#### Reserves policy and risk management

In accordance with guidelines issued by the Charity Commissioners, the trustees have adopted a policy regarding reserves, which should ensure that there are adequate funds to enable the charity to meet all current and known future liabilities, and in addition to hold some funds to meet any unexpected future circumstances. In order to provide this level of funds the Trustees' policy is to hold unrestricted free reserves, excluding those amount represented by fixed assets, which are equivalent to between six and nine months of anticipated expenditure.

At 31 March 2003, the unrestricted free reserves stood at £64,874 (excluding fixed assets). This is equivalent to just over three month's unrestricted expenditure and the trustees are considering ways to increase the level of free reserves in the coming year.

The trustees have carried out a detailed review of the charity's activities and produced a strategic plan setting out the major opportunities available to the charity and the risks to which it is, or may in the future be exposed. The trustees monitor progress against the strategic objectives set out in the plan at each quarterly meeting and a comprehensive review of the plan is carried out annually. The Trustees have reviewed the major risks to which the organisation is exposed and are satisfied that systems are in place to mitigate those risks where appropriate.

#### Investment policy

The Memorandum and Articles of Association provides that the company invests moneys not immediately required for its own purposes in or upon such investments, securities or property as may be thought fit.

#### Objects of the charity, principal activities and organisation of work

The objectives for which the charity is established are 'to conserve, protect and restore the natural resources and animal and plant life of the world, and to promote research concerning the same and the causes and effects of any default (whether instigated by man or not) in any ways affecting the natural resources and animal plant life as aforesaid (making available the results of such research) and to educate the public in relation thereto'.

Green Alliance's stated mission, based on these objects, is 'To promote sustainable development by ensuring that the environment is at the heart of decision-making'. We work with senior people in government, parliament, business and the environmental movement to encourage new ideas, dialogue and constructive solutions.

To realise this mission, the organisation is working towards three main aims. Firstly, it aims to make the environment a central issue in political thinking and debate across party lines. Secondly, it aims to integrate environmental considerations into public policy, and thirdly, it stimulates new thinking in order to advance the environmental agenda into new areas.

The annual work programme is structured into work-streams based on the three main aims outlined above and sets out the objectives, activities and desired outcomes against each. In addition, objectives and annual targets are set against communications, membership and organisational management.

## THE GREEN ALLIANCE TRUST

### REPORT OF THE TRUSTEES (INCORPORATING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2003

---

Green Alliance is a charity and a company limited by guarantee, managed by an Executive Committee, who are both the Trustees and company directors. The committee meets four times a year. A Director is employed by the Executive Committee to manage the day to day running of the organisation. In 2002-03, apart from the Director, Green Alliance had nine other personnel; seven project staff and two administrative staff.

The staff is based at an office in London. Activities centre on projects involving research, events and publications. The organisation also provides a platform for the opinions and ideas of invited speakers and guest writers.

There has been no change in the overall objectives of the charity since the last report.

#### **Related party transactions**

The Green Alliance Trust and The Green Alliance Limited are connected by the fact that all the directors in The Green Alliance Limited are also trustees of The Green Alliance Trust. A summary of transactions with The Green Alliance Limited is set out in note 17 to the financial statements.

#### **Dependence on volunteers**

Green Alliance recruits volunteers for administrative and project assistance. The maximum number during the year at any time has been two, working on a part-time basis. The organisation aims to recruit volunteers who particularly want to gain work experience in the area of environmental policy.

#### **Relationships with others**

Work with a diverse range of organisations and individuals is essential for Green Alliance to achieve its objectives. Collaborations have included joint research projects, events and publications.

#### **Directors and trustees**

The directors of the charitable company are its trustees for the purpose of charity law. There are no other trustees. The trustees who served throughout the period are listed on page 1.

#### **Method of appointment or election of trustees**

The trustees are elected in accordance with the terms of the charity's Memorandum and Articles of Association. The Executive Committee has power to appoint additional trustees up to a maximum of twelve.

#### **Trustees' responsibilities in relation to the financial statements**

The trustees are required by law 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 its results for that period. In preparing these financial statements the trustees are required to:

- (a) select suitable accounting policies and apply them consistently ;
- (b) make judgements and estimates that are reasonable and prudent ;
- (c) state whether the policies adopted are in accordance with the Companies Act 1985 and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements ;
- (d) prepare the financial statements on a going concern basis (unless it is inappropriate to assume that the charity will continue in operation).

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the companies Act 1985. 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.

**THE GREEN ALLIANCE TRUST**

**REPORT OF THE TRUSTEES (INCORPORATING DIRECTORS' REPORT) FOR THE YEAR  
ENDED 31 MARCH 2003**

---

**Auditors**

The auditors, Trustient, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985 at the Annual General Meeting.

**Approval**

This report was approved by the board of directors and trustees on 31 July 2003 and signed on its behalf:



.....  
**Tony Hams**  
**Chair of Trustees**



## THE GREEN ALLIANCE TRUST

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE GREEN ALLIANCE TRUST

---

We have audited the financial statements of the Green Alliance Trust for the year ended 31 March 2003 which comprise the Statement of Financial Activities (incorporating Income and Expenditure Account), the Balance Sheet and related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 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 company and its members as a body, for our audit work, for this report, or for the opinion we have formed.

#### **Respective responsibilities of trustees and auditors**

The trustees' (who are also the directors of the Green Alliance Trust for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in October 2000. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Trustees' Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

#### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes 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 judgments made by the trustees in the preparation of financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all 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 misstatements, 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 charitable company's affairs as at 31 March 2003 and of its incoming resources and applications of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*1/ushent*  
**Trustient**

Chartered Accountants & Registered Auditors

Buckingham House East, The Broadway, Stanmore, Middlesex, HA7 4EB

31/07/03

**THE GREEN ALLIANCE TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES (incorporating Income and Expenditure Account)**

**FOR THE YEAR ENDED 31 MARCH 2003**

				Year ended 31 March 2003 Total funds £	Year ended 31 March 2002 Total funds £
	Notes	2003 Unrestricted funds £	2003 Restricted funds £		
<b>Incoming resources</b>					
Donations and similar income	2	216,216	-	216,216	259,692
Activities in furtherance of the charity's objects	3	24,017	195,872	219,889	207,237
Interest receivable		2,671	-	2,671	1,705
<b>Total incoming resources</b>		<u>242,904</u>	<u>195,872</u>	<u>438,776</u>	<u>468,634</u>
<b>Cost of generating funds</b>					
Fund-raising	4	23,403	-	23,403	21,764
<b>Net incoming resources available for charitable application</b>		<u>219,501</u>	<u>195,872</u>	<u>415,373</u>	<u>446,870</u>
<b>Charitable expenditure</b>					
Costs of activities in furtherance of the objects of the charity					
Research, events and publications	5	185,257	206,019	391,276	347,778
Management & administration	6	41,222	-	41,222	44,429
<b>Total charitable expenditure</b>		<u>226,479</u>	<u>206,019</u>	<u>432,498</u>	<u>392,207</u>
<b>Total resources expended</b>		<u>249,882</u>	<u>206,019</u>	<u>455,901</u>	<u>413,971</u>
<b>Net income before transfers</b>		(6,978)	(10,147)	(17,125)	54,663
Net transfer between funds		<u>(758)</u>	<u>758</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds for the year</b>	7	(7,736)	(9,389)	(17,125)	54,663
Fund balances brought forward at 1 April 2002		90,367	27,680	118,047	63,384
<b>Fund balances carried forward at 31 March 2003</b>	14,15	<u>£82,631</u>	<u>£18,291</u>	<u>£100,922</u>	<u>£118,047</u>

There were no recognised gains or losses for 2003 or 2002 other than those included in the Statement of Financial Activities.

The notes on pages 10 to 16 form part of these accounts.

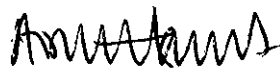
**THE GREEN ALLIANCE TRUST**

**BALANCE SHEET AS AT 31 MARCH 2003**

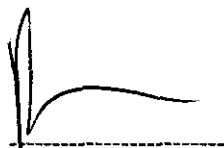
		31 March 2003		31 March 2002	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		9,273		5,671
<b>Current assets</b>					
Debtors and prepayments	11	109,046		54,343	
Cash at bank and in hand		<u>63,855</u>		<u>127,535</u>	
		172,901		181,878	
<b>Creditors : amounts falling due within one year</b>	12	<u>(81,252)</u>		<u>(69,502)</u>	
<b>Net current assets</b>			91,649		112,376
<b>Total assets less current liabilities</b>			<u>100,922</u>		<u>118,047</u>
<b>Funds</b>					
Unrestricted funds:					
- General funds	14		74,147		70,830
- Designated funds	14		8,484		19,537
Restricted funds	15		18,291		27,680
			<u>100,922</u>		<u>118,047</u>

The financial statements have been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Approved by the board of directors and trustees on 31 July 2003 and signed on its behalf:



**Tony Hams**  
**Chair of Trustees**



**Philip Parker**  
**Hon. Treasurer**

The notes on pages 10 to 16 form part of these accounts

# THE GREEN ALLIANCE TRUST

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003

---

### 1. Accounting policies

#### 1.1 Basis of preparation of accounts

The accounts are prepared under the historical cost convention and include the results of the charity's operations which are described in the Trustees' Report and all of which are continuing.

The accounts have been prepared in compliance with the Statement of Recommended Practice on Charity Accounts Issued in October 2000 (SORP 2000); Financial Reporting Standards for Smaller Entities (effective June 2002) and applicable accounting standards.

The charity has taken advantage of the exemption in Financial Reporting Standards for Smaller Entities from the requirement to produce a cashflow statement.

#### 1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Fixed assets costing more than £100 are capitalised.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less estimated residual value, over their expected useful lives on the following bases :

Office furniture and equipment - 15% reducing balance.

#### 1.3 Subscriptions

Subscriptions are accounted for on an accruals basis. Subscriptions relating to a later period are, therefore carried forward to that period and treated as deferred income in the balance sheet.

#### 1.4 Income

Donations and gifts are accounted for as received by the charity. Income from grants is accounted for on a receivable basis, and is included in the Statement of Financial Activities once the charity has established legal title to the income and amounts due can be quantified with reasonable accuracy. Income will only be deferred to future accounting periods where the donor has imposed restrictions on the expenditure which amount to a precondition requiring the grant to be used against expenditure in future periods.

#### 1.5 Value added tax

The charity is registered for VAT. In common with many other registered charities, The Green Alliance Trust's expenses are inflated by VAT, which cannot be recovered.

#### 1.6 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate costs for allocation to activities.

Overheads common to all activities have been apportioned on the basis of time spent by members of staff.

Fundraising expenditure comprises costs incurred in appealing to people and organisations to contribute financially to the charity's work.

Charitable expenditure comprises activities undertaken which are directly identifiable as wholly or mainly in support of the charity's objectives.

Administration expenditure relates to the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

#### 1.7 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 other specific purposes.

# THE GREEN ALLIANCE TRUST

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003

### Accounting policies (continued)

- 1.7 cont** Designated funds comprise unrestricted funds that have been set aside by the trustees out of general funds for particular purposes. The aim and use of these designated funds is set out in the notes to the financial statements.

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

### 1.8 Pensions

All permanent staff employed by the Company are eligible for membership of the defined contribution pension scheme. The pension scheme of the company is funded by contributions partly from the employees and partly from the company. Such contributions are held in administered funds completely independently of the company's finances. The contributions made by the company are accounted for on an accruals basis.

## 2. Donations and similar income

	<u>2003</u> £	<u>2002</u> £
Grants for general charitable purposes:		
- Esmée Fairbairn Charitable Trust	60,000	75,000
- DEFRA Environmental Action Fund	40,000	51,126
- Westminster Foundation	12,600	5,906
General donations	2,074	4,643
Membership subscriptions	86,988	99,887
Sponsorships	13,938	23,130
Other income	616	-
	<u>216,216</u>	<u>259,692</u>

## 3. Activities in furtherance of charity's objects

	<u>2003</u> £	<u>2002</u> £
<b>Research, events and publications</b>		
Grants receivable	98,407	53,220
Project funding	102,843	102,361
Project fees	5,584	35,413
Publications and newsletters	13,055	16,243
	<u>219,889</u>	<u>207,237</u>

## 4. Fundraising costs

	<u>2003</u> £	<u>2002</u> £
Staff costs	20,396	18,739
Office costs	3,007	3,025
	<u>23,403</u>	<u>21,764</u>

**THE GREEN ALLIANCE TRUST**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2003**

**5. Costs of activities in furtherance of the objects of the charity:**

	<u>2003</u> £	<u>2002</u> £
<b>Research, events and publications</b>		
Direct costs of projects and publication	181,098	149,788
Staff costs	177,442	152,867
Office costs	26,163	24,678
Depreciation	780	-
Other charitable expenses	5,793	20,445
	<u>391,276</u>	<u>347,778</u>

**6. Management & administration**

	<u>2003</u> £	<u>2002</u> £
Staff costs	26,514	25,642
Office costs	3,910	3,933
Legal and professional fees	7,182	12,171
Depreciation	1,314	1,058
Other administration costs	2,302	1,625
	<u>41,222</u>	<u>44,429</u>

**7. Net movement in funds for the year**

The net movement in funds for the year is stated after charging:

	<u>2003</u> £	<u>2002</u> £
Depreciation	2,094	1,058
Auditors' remuneration - as auditors	2,650	2,600
- other services	300	300
Irrecoverable VAT	<u>12,069</u>	<u>9,830</u>

**8. Staff costs**

The staff costs were:

	<u>2003</u> £	<u>2002</u> £
Wages and salaries	199,698	178,429
Social security costs	18,675	16,209
Pension costs	5,979	2,610
	<u>224,352</u>	<u>197,248</u>

No employee earned more than £50,000 per annum.

The average number of full time equivalent staff employed by the charity during the period was 10 (2002: 10)

**THE GREEN ALLIANCE TRUST**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2003**

	<u>2003</u>	<u>2002</u>
	No	No
Project staff	8	8
Management and administration	<u>2</u>	<u>2</u>
	10	10
<b>9. Trustees' remuneration and reimbursed expenses</b>		
	<u>2003</u>	<u>2002</u>
	£	£
The trustees received no remuneration for their services.		
During the year three trustees were reimbursed for travel expenses (2002: two).	<u>700</u>	<u>760</u>
<b>10. Tangible fixed assets</b>		<b>Office equipment</b>
		£
<b>Cost</b>		
At 1 April 2002		7,271
Additions in year		5,696
At 31 March 2003		<u>12,967</u>
<b>Depreciation</b>		
At 1 April 2002		1,600
Charge for the year		2,094
At 31 March 2003		<u>3,694</u>
<b>Net book value</b>		
At 31 March 2003		<u>9,273</u>
At 31 March 2002		<u>5,671</u>
<b>11. Debtors: amounts falling due within one year</b>		
	<u>2003</u>	<u>2002</u>
	£	£
Fees, subscriptions and grants receivable	92,418	31,078
Other debtors and prepayments	16,628	23,265
	<u>109,046</u>	<u>54,343</u>
<b>12. Creditors: amounts falling due within one year</b>		
	<u>2003</u>	<u>2002</u>
	£	£
Trade creditors	11,263	636
Taxation and social security	6,711	5,327
Accruals	11,822	18,387
Advance subscriptions	34,183	29,458
Grants received in advance (note 13)	14,805	12,600
Other creditors	-	574
VAT	2,468	2,520
	<u>81,252</u>	<u>69,502</u>

**THE GREEN ALLIANCE TRUST**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2003**

**13. Deferred income**

	Deferred at 01.04.2002	Utilised during the year	Received in 2003	Deferred at 31.03.2003
	£	£	£	£
Westminster Foundation Grant	<u>12,600</u>	<u>(12,600)</u>	<u>14,805</u>	<u>14,805</u>

Grants received in advance of £14,805 (2002: £12,600) relate to Westminster Foundation grant received during the year in respect of rent for the following year.

**14. Unrestricted funds**

	At 01.04.2002	Incoming resources	Outgoing resources	Transfers between funds	At 31.03.2003
	£	£	£	£	£
General funds	70,830	242,904	(230,345)	(9,242)	74,147
Designated funds	19,537	-	(19,537)	8,484	8,484
	<u>90,367</u>	<u>242,904</u>	<u>(249,882)</u>	<u>(758)</u>	<u>82,631</u>

**General funds**

Funds available are sufficient to permit the company to continue in operation in the short term given the continued support of the funders. Should this support not continue in the longer term, further financial support would need to be sought to replace it. The trustees' reserves policy is to maintain unrestricted funds, which are not designated, to cover between six and nine months of anticipated expenditure on core costs. The level of free reserves at the year end equated to just over three month's core costs and the trustees aim to increase the level of free reserves in the coming year.

**Designated funds**

Represents the following amount set aside to cover the excess projected expenses on the following activities:

	At 01.04.2002	Utilised during the year	New allocations	At 31.03.2003
	£	£	£	£
Communications programme	9,848	(9,848)	8,484	8,484
Brand Green Pamphlet	9,689	(9,689)	-	-
	<u>19,537</u>	<u>(19,537)</u>	<u>8,484</u>	<u>8,484</u>



THE GREEN ALLIANCE TRUST

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003

15. Restricted funds

	At 01.04.2002 £	Incoming resources £	Outgoing resources £	Transfers in/(out) £	At 31.03.2003 £
Green Globe Task Force	2,372	43,272	(45,456)	-	188
Precautionary principle	8,284	-	(8,284)	-	-
Bright Green Economy	4,796	-	(4,796)	-	-
Creative waste	4,158	37,500	(41,658)	-	-
Treasury	4,566	-	(4,566)	-	-
DEFRA – SD strategy	3,504	2,975	(6,479)	-	-
Energy Taxation	-	22,000	(22,000)	-	-
Economic Instrument	-	18,000	(18,000)	-	-
Service Innovation	-	44,625	(45,383)	758	-
Producer Responsibility	-	7,500	(7,500)	-	-
Business Engagement in Public Policy	-	20,000	(1,897)	-	18,103
	<u>27,680</u>	<u>195,872</u>	<u>(206,019)</u>	<u>758</u>	<u>18,291</u>

Grants, which are received for specific projects, are accounted for as restricted funds. Where grants are overspent a transfer is made from unrestricted funds to cover the deficit. The balances on restricted funds as at 31 March 2003 arise from grants received for specific projects on which some expenditure is still to be incurred in the coming financial year. Each of the projects is described in more detail:

Green Globe Task Force (on-going): A network of independent experts set up to advise government on achieving international objectives for sustainable development. Its part-time Secretariat is based at Green Alliance.

Precautionary principle (2001- June 2002): an examination of the use of the precautionary principle in decision-making by business, government and NGOs.

Bright green economy (January 2000- August 2003): a project promoting policy tools for a more resource productive economy.

Creative waste (January-December 2002): research into other countries' waste policies, exploring the potential for new policy packages to meet the UK's waste strategy.

Treasury (2001- May 2003): work with other environment NGOs to increase the environmental dimension of budgets and spending reviews.

DEFRA SD strategy (August 2001- July 2002): co-ordination of stakeholder input to the Department for Environment, Food and Rural Affairs' sustainable development strategy.

Energy taxation (July 2002 – November 2002): research into the effectiveness of the Climate Change Levy and other energy tax measures.

Economic instruments (April 2002 – February 2003): a project focused on making the case for economic instruments for the environment.

Service innovation (April 2002 – July 2003): a research project and practitioners' network raising awareness of the service model to improve resource productivity.

Producer responsibility (January 2003- March 2003): a seminar to discuss waste minimisation strategies used abroad, focusing on the potential of producer responsibility.

**THE GREEN ALLIANCE TRUST**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2003**

---

**15. Restricted Funds (continued)**

Business engagement in public policy (November 2002 -): an examination of the role of trade associations and research into alternative progressive alliances for businesses to positively engage on environmental policy.

**16. Analysis of fund balances between net assets**

	<b>General funds £</b>	<b>Designated funds £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Tangible fixed assets	9,273	-	-	9,273
Net current assets	64,874	8,484	18,291	91,649
	<u>74,147</u>	<u>8,484</u>	<u>18,291</u>	<u>100,922</u>

**17. Related party transactions**

The Green Alliance Trust and The Green Alliance Limited are connected by the fact that all the directors in The Green Alliance Limited are also trustees of The Green Alliance Trust.

During the year, The Green Alliance Trust received £NIL (2002: £12,852) from The Green Alliance Limited. The Income for 2002 has been included in grants in the statement of financial activities.

**18. Share capital**

The Green Alliance Trust is a company limited by guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of the charity being wound up.

**19. Financial commitment**

As at 31 March 2003 the charity had annual commitments under an operating lease on buildings as follows: -

	<b><u>2003</u> £</b>	<b><u>2002</u> £</b>
Expiry date: Between two and five years	<u>30,150</u>	<u>20,656</u>