

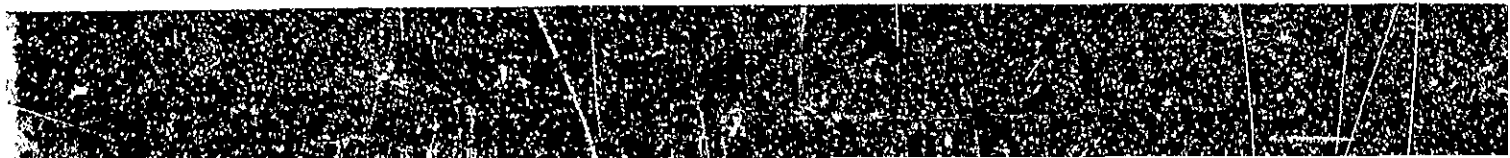
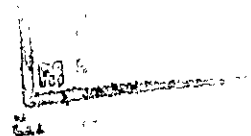
Friends of the Earth

FRIENDS OF THE EARTH LIMITED

(A company limited by guarantee and not having a share capital)

REPORT AND ACCOUNTS
for the year ended 31st May 1991

Company Number 1012357



FRIENDS OF THE EARTH LIMITED

(A company limited by guarantee and not having a share capital)

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MAY 1991

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DIRECTORS' REPORT

The directors present their report and accounts of the company for the year ended 31 May 1991.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The company's principal concern is the protection of the environment, locally, nationally and internationally, through campaigning, lobbying, events and other consciousness-raising activities. The year to 31 May 1991 was a difficult year for fundraising: the recession meant that people cut back on giving to voluntary organisations: the Gulf War and the number of natural catastrophic disasters meant increased competition for funds. This was counter balanced by the increased interest in the protection of the environment during the year which saw our number of supporters grow from 200,000 to 240,000. Supporters' contributions which form our main source of income were down on the previous year by £691,845 (20%).

However sales through our mail order catalogue continued to increase by £179,677 (15%) providing a useful contribution to our overall income.

Tight control of costs resulted in a surplus of £218,234 for the year. This was a welcome addition to our small accumulated surplus providing working capital essential for the organisation to function.

During the year we brought our supporter servicing function in-house and located this team in Luton. This is the main reason for the increase in average number of personnel for the year from 61 to 70. This action was essential to improve the quality of service we could provide our supporters and to be as cost effective as possible.

Friends of the Earth Limited continued to campaign on issues related to tropical rainforests, recycling, energy, water and air pollution, climate change, transport, countryside and agriculture. We acted at all levels. We used the media to expose environmental malpractice; lobbied through national and international platforms; supported our local groups in maintaining a high profile; provided reliable information to politicians, journalists, professionals and the general public; empowered our supporters to campaign individually and collectively. Altogether it has been one of our most successful years to date in campaigning for the protection of the environment.

Further details of the company's achievements during the year can be found in the Annual Report produced by the company.

RESULTS

The excess of income over expenditure for the year was £218,234 which has increased the general fund to £416,233 (1990: £197,999).

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DIRECTORS

The names of the directors of the company, who held office during the year, are listed below:-

S. Clark	(appointed 1 December 1990)
G. Cooper	(retired 1 December 1990)
P. Couchman	
J. Hall	
S.A. Kularatne	Deputy Chair
N.R. Lester	
A. Marson	(appointed 1 December 1990)
T.M. Mills	
T. Morris	
T. Pettitt	Chair
M. Price	
P. Quinn	
M. Seifert	
M. Shepherd	
V. Stevens	
M. Wallis	(retired 19 July 1991)
P. Woodward	

AUDITORS

Hays Allan have indicated their willingness to continue in office and offer themselves for re-appointment in accordance with Section 385(2) of the Companies Act 1985.

BY ORDER OF THE BOARD

S.G. WELSH

Secretary

S. Welsh

12 October 1991.

FRIENDS OF THE EARTH LIMITED
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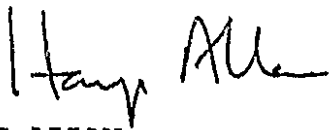
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AUDITORS' REPORT

TO THE MEMBERS OF FRIENDS OF THE EARTH LIMITED

We have audited the accounts set out on pages ⁴ 7 to ¹⁰ 8 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the company's affairs at 31 May 1991 and of its surplus and source and application of funds for the year ended on that date, and have been properly prepared in accordance with the Companies Act 1985.



HAYS ALLAN

Chartered Accountants

Southampton House,
317 High Holborn,
London, WC1V 7NL.

12 October 1991.

FRIENDS OF THE EARTH LIMITED(A company limited by guarantee and not having a share capital)

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INCOME AND EXPENDITURE ACCOUNTFOR THE YEAR ENDED 31 MAY 1991

	<u>Notes</u>	<u>1991</u> £	<u>1990</u> £
INCOME	2	3,941,116	4,726,602
EXPENDITURE	3	3,789,402	4,744,641
(DEFICIT)/SURPLUS BEFORE INTEREST		151,714	(18,039)
Interest receivable		66,969	28,333
Interest payable	5	(449)	(5,210)
SURPLUS FOR THE YEAR BEFORE TAXATION		218,234	5,084
Taxation	6	--	1,888
NET SURPLUS FOR THE YEAR		218,234	3,196
ACCUMULATED SURPLUS AT BEGINNING OF YEAR		197,999	194,803
ACCUMULATED SURPLUS AT END OF YEAR		£416,233	£197,999

FRIENDS OF THE EARTH LIMITED
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BALANCE SHEET

AT 31 MAY 1991

	<u>Notes</u>	<u>1991</u> £	<u>1990</u> £
FIXED ASSETS			
Tangible assets	8	89,650	71,354
Investments	9	957	1,416
		<u>90,607</u>	<u>72,770</u>
CURRENT ASSETS			
Stocks		129,131	83,911
Debtors	10	250,814	336,194
Cash at bank and in hand		458,713	463,994
		<u>838,658</u>	<u>884,099</u>
CREDITORS: DUE WITHIN ONE YEAR	11	(513,032)	(758,870)
NET CURRENT ASSETS		<u>325,626</u>	<u>125,229</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£416,233</u>	<u>£197,999</u>
GENERAL FUND			
ACCUMULATED SURPLUS		<u>£416,233</u>	<u>£197,999</u>

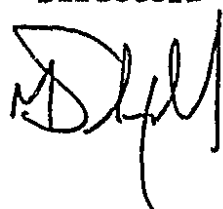
The accounts on pages ⁴7 to ¹⁰8 were approved by the board of directors on 12 October 1991.

T. PETTITT



Directors

M. SHEPHERD



(A company limited by guarantee and not having a share capital)

STATEMENT OF SOURCE AND APPLICATION OF FUNDSYEAR ENDED 31 MAY 1991

	<u>1991</u> £	<u>1990</u> £
SOURCE OF FUNDS		
General Fund - net surplus for the year before taxation	218,234	5,084
Items not involving the movement of funds:		
Loss on disposals of fixed assets	211	-
(Profit)/Loss on disposal of gifted investments	(303)	100
Depreciation	44,081	28,577
	-----	-----
FUNDS GENERATED BY OPERATIONS	262,223	33,761
 FUNDS FROM OTHER SOURCES		
Sale of investments	786	-
Sale of fixed assets	255	-
	-----	-----
	263,264	33,761
 APPLICATION OF FUNDS		
Purchase of fixed assets	(62,843)	(64,511)
Taxation paid	--	(1,888)
Purchase of investment	(24)	(483)
	-----	-----
INCREASE/(DECREASE) IN WORKING CAPITAL	£200,397	£(33,121)
	=====	=====
 REPRESENTED BY:		
Increase in stocks	45,220	8,798
(Decrease)/Increase in debtors	(85,380)	111,855
Decrease/(Increase) in creditors	245,838	(300,984)
	-----	-----
	205,678	(180,331)
 Movement in liquid funds:		
(Decrease)/Increase in cash and bank balances	(5,281)	147,210
	-----	-----
	£200,397	£(33,121)
	=====	=====

FRIENDS OF THE EARTH LIMITED

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NOTES TO THE ACCOUNTS

YEAR ENDED 31 MAY 1991

1. ACCOUNTING POLICIES

a) BASIS OF ACCOUNTING

The accounts have been prepared on the historical cost basis and in accordance with applicable accounting standards.

b) STOCKS

Stocks are valued at the lower of cost and net realisable value.

c) INCOME

Supporters' contributions and donations.

Income arising from supporters' contributions and donations is accounted for as and when received.

Trading

Trading turnover consists of sales from our mail order catalogue and represents amounts invoiced, excluding value added tax.

Other income

Other income is accounted for on the accruals basis.

d) FIXED ASSETS

Fixed assets are written off in equal annual instalments over their estimated useful lives at the following rates of depreciation:-

Office equipment (including computer hardware) - 25% per annum

Individual items of office equipment costing £50 or less are treated as revenue expenditure.

2. INCOME

	<u>1991</u> £	<u>1990</u> £
Supporters' contributions and donations	2,696,595	3,388,440
Events	473,416	502,812
Grants	--	128,717
Other income	129,346	126,303
Gross profit on trading	641,759	580,330
	-----	-----
	£3,941,116	£4,726,602
	=====	=====
Trading turnover	£1,373,951	£1,194,274
	=====	=====

FRIENDS OF THE EARTH LIMITED

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NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 MAY 1991

3. EXPENDITURE	<u>1991</u> £	<u>1990</u> £
Covenant to Friends of the Earth Trust Ltd	50,436	31,612
Staff costs (see note 4)	1,046,124	814,247
Depreciation of fixed assets	44,081	28,577
Auditors' remuneration	7,000	5,952
Hire of equipment under operating leases	9,568	--
Building leases rentals	79,093	36,000
Other expenses	2,553,100	3,828,253
	<u>£3,789,402</u>	<u>£4,744,641</u>

4. DIRECTORS AND EMPLOYEES

The average weekly number of persons employed by the company during the year was: 70 (1990: 61).

Staff costs:

	£	£
Salaries	953,596	748,447
Social Security costs	92,528	65,800
	<u>£1,046,124</u>	<u>£814,247</u>

The directors received no remuneration or fees for their services.

5. INTEREST PAYABLE

On bank overdraft	449	5,210
	<u>£449</u>	<u>£5,210</u>

6. TAXATION

Because of the tax losses on trading brought forward no provision has been made within the accounts for UK Corporation Tax.

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NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 MAY 1991

7. OPERATING LEASES

The company leases buildings on short- and long term-leases. The annual rental on these leases was £79,093 (1990: £36,000). The rents payable under these leases are subject to renegotiation at various intervals specified in the leases.

The minimum annual rentals under the foregoing leases are as follows:

	<u>1991</u>	<u>1990</u>
	£	£
Operating lease renewed annually	64,000	36,000
Operating lease which expires after 5 years	21,000	-
	-----	-----
	<u>85,000</u>	<u>36,000</u>

8. FIXED ASSETS

	<u>Office Equipment</u>
	£
COST	
Balance at 1 June 1990	114,305
Additions	62,843
Disposals	(1,345)

Balance at 31 May 1991	<u>175,803</u>
DEPRECIATION	
Balance at 1 June 1990	42,951
Charge for the year	44,081
Disposals	(879)

Balance at 31 May 1991	<u>86,153</u>
NET BOOK VALUE	
At 31 May 1991	<u>89,650</u>
At 31 May 1990	<u>71,354</u>

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NOTES TO THE ACCOUNTS (continued)YEAR ENDED 31 MAY 1991

9. INVESTMENTS

	<u>1991</u> £	<u>1990</u> £
500 ordinary shares of £1 each fully paid in Peace, Ecology and Development Books Limited	500	500
Listed Investments	457	916
	-----	-----
	£957	£1,416
	=====	=====
Market value of listed investments at 31 May 1991	£216	£918
	=====	=====

The listed investments are stated at cost.

10. DEBTORS

	<u>1991</u> £	<u>1990</u> £
Trade debtors	91,655	108,190
Prepayments and accrued income	35,124	97,430
Amount due from Friends of the Earth Trust Ltd	72,857	50,755
Other debtors	51,178	79,819
	-----	-----
	£250,814	£336,194
	=====	=====

11. CREDITORS: DUE WITHIN ONE YEAR

Trade creditors	243,068	571,166
Interest-free loans	8,980	1,980
Taxation and Social Security payable	34,252	27,730
Accruals and deferred income	201,962	143,152
Other creditors	24,770	14,842
	-----	-----
	£513,032	£758,870
	=====	=====

12. LIABILITY OF MEMBERS

In the event of a winding up, each member of the company is liable to contribute an amount not exceeding £1. At 31 May 1991 the number of members was 2 (1990: 2).