



# **The Green Party**

(England & Wales)

Reports and Financial Statements

Year ended 31 December 2020

**The Green Party**  
**Financial statements for the year ended 31 December 2020**

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## The Green Party

### Administrative information













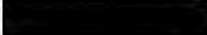

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#### Party Officers (Registered Officers under the Political Parties, Elections and Referendums Act 2000)

Co-Leader	Siân Berry	(job share)
Co-Leader	Jonathan Bartley	(job share)
Registered Treasurer	Jon Nott	
Nominating Officer	Chris Rose	

#### Executive

The Party's Executive (GPEx) is responsible for the day to day running of the Party. Elections are held in the summer of each year for half of the posts, with the elected Officer's term of office being two years. Each elected member is responsible for a specific area of the Party's operations. The members of the Executive during the year are:

Co-Leader	Jonathan Bartley		
Co-Leader	Siân Berry		
Deputy Leader	Amelia Womack		
Chair	Liz Reason		
Registered Treasurer	Jon Nott		
Campaigns Co-ordinator		(job share) (job share)	(until July 2020)
Elections Co-ordinator		(job share) (job share) (job share) (job share)	(from September 2020) (from September 2020) (until September 2020) (until September 2020)
Equality & Diversity Co-ordinator			
External Communications Co-ordinator			(from September 2020) (until September 2020)
Finance Co-ordinator			
Internal Communications Co-ordinator		(job share) (job share)	(until May 2021)
International Co-ordinator		(job share) (job share)	(from September 2020) (until September 2020) (until September 2020)
Local Party Support Co-ordinator			
Management Co-ordinator		(job share) (job share)	(from September 2020) (from September 2020) (until September 2020)
Policy Development Co-ordinator			(from September 2020) (until June 2020)
Publications Co-ordinator			(from September 2020) (until March 2020)
Trade Union Liaison			(from September 2020) (until September 2020)
Wales Green Party Leader			
Young Greens Co-Chairs		(job share) (job share) (job share)	(from September 2020) (until September 2020)

## The Green Party

### Administrative information

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#### Regional Council

##### Co-Chairs



(job share)  
(job share)

(from November 2020)  
(from November 2020)  
(until November 2020)  
(until November 2020)  
(until October 2019)

#### Key Staff

Chief Executive  
Chief Operating Officer  
Head of Elections and Field Team  
Head of Communications  
Head of Development  
Head of Finance  
Head of Digital



(until December 2020)  
(from April 2020)

#### Conference

Conference is the sovereign representative body of the Party with the power to determine its policies. In addition to setting the Party's policies, Conference also receives reports from the Committees. Conference is organised by the Conference Committee and two are held each year.

#### Elected representatives

##### Member of Parliament

Caroline Lucas Brighton Pavilion Constituency (re-elected December 2019)

##### Members of European Parliament (until 31 January 2020)

Molly Scott Cato	South West Region	(re-elected May 2019)
Scott Ainslie	London Region	(elected May 2019)
Alexandra Phillips	South East Region	(elected May 2019)
Magid Magid	Yorkshire & The Humber Region	(elected May 2019)
Ellie Chowns	West Midlands Region	(elected May 2019)
Gina Dowding	North West Region	(elected May 2019)
Catherine Rowett	Eastern Region	(elected May 2019)

##### Members of London Assembly

Siân Berry  
Caroline Russell  
Zack Polanski (elected May 2021)

##### Peers

Natalie Bennett Baroness Bennett of Manor Castle  
Jenny Jones Baroness Jones of Moulsecoomb

#### Local Councillors

By December 2020 there were 351 Principal Authority Green Party Councillors on 123 Councils in England and Wales and over 300 parish or town councillors. Greens formed part of the Ruling Administration in 17 councils.

Following the recent May 2021 elections, these numbers had increased to 445 Principal Authority Councillors on 140 Councils.

## **The Green Party**

### **Administrative information**

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#### **Membership**

As at 31 December 2020 the party had 47,087 members (2019 - 49,013).

#### **Accounting Units**

As at 31 December 2020 the Party had 287 (2019 - 283) Accounting Units registered with the Electoral Commission.

#### **Party Headquarters**

PO Box 78066  
London  
SE16 9GQ

#### **Banks**



#### **Auditors**

MHA MacIntyre Hudson  
2 London Wall Place  
London  
EC2Y 5AU

## **The Green Party**

### **Report of the Party's Officers for the year ended 31 December 2020**

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We present the accounts of the Green Party ('The Party') for the year ended 31 December 2020.

2020 has been a challenging year as the COVID-19 pandemic affected every aspect of our lives. Many people lost loved ones in difficult circumstances and many lost their livelihoods.

We know that, rather than returning to "business as usual", it's time to introduce plans that will deliver lasting social, environmental and economic justice.

Membership of the Party decreased slightly during the course of the year from 49,013 just after the general election in December 2019 down to 47,087 at the end of December 2020 - a fall of 4%.

The Party made significant planned investments and improvements across the board, including the technology infrastructure, a new set of HR policies for the growing staff team, and additional staff across the organisation. We also developed our new Political Strategy.

We would like to thank all of our members, donors, supporters and staff for the invaluable contribution they make to the Party, and to our elected members at all levels, who represent us as well as their communities.

#### **REVIEW OF POLITICAL ACTIVITIES**

##### **Local Council Elections**

Due to the national COVID-19 lockdown, the scheduled May 2020 elections were postponed until May 2021. During the year, a small number of Green Councilors resigned due to family, work or health pressures, and there was no opportunity to win new seats through bi-elections. Therefore, by December 2020 there were 351 Principal Authority Green Party Councillors on 123 Councils in England and Wales, and over 300 parish or town councillors. Greens formed part of the Ruling Administration in 17 councils. We also had two elected London Assembly members, with a third elected in May 2021.

In July 2020, Greens became the largest party on Brighton and Hove City Council and are now leading a minority administration.

In the May 2021 elections we had another very impressive set of results with the number of Green Party Councillors increasing even further to 445, extending our reach to a new record of 140 Councils.

##### **Parliamentary activities**

Green MP Caroline Lucas has been working with civil society campaigners to bring new legislative proposals before Parliament that would close the gaps in the 2008 Climate Change Act and reflect the latest climate science. The Climate & Ecological Emergency Bill is a fully developed plan of action and has citizen engagement and nature restoration at its heart.

She is also a leading member of an all party group on coronavirus, which have been doing what the Government has refused to do yet - carry out a public inquiry into the handling of the pandemic & identify urgent lessons to be learned.

The Green Peers Jenny Jones and Natalie Bennett, supported by a small, part-time team of Green Party staff, have continued to expand the Green Party's presence in the House of Lords. While we continue to fight for an elected second chamber, Natalie and Jenny have used their opportunities as parliamentarians to scrutinise the government, suggest Green alternatives, and demonstrate the competence and expertise that Greens bring to all level of politics.

Despite the Conservative Government's majority in the House of Commons, the House of Lords continues to have No Overall Control, with government defeats being commonplace. This makes it an ideal forum for Greens to work across party lines to seek compromise and collaboration.

Jenny and Natalie have made a particular effort to communicate their work in Parliament to party members and the wider public. They are both very active on social media, in the press, and by email. They host a regular "Meet the Green Peers" session at Party Conference, and recently hosted a session at PolicyFest to educate party members on how they can help to scrutinise and improve legislation in parliament.

##### **European Parliament**

Sadly, Brexit brought an abrupt end to our MEPs' tenure, as the UK formally left the European Union on 31 January 2020, forcing our seven representatives elected in 2019 to vacate their seats.

## **The Green Party**

### **Report of the Party's Officers for the year ended 31 December 2020**

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#### **IMPLEMENTATION OF NEW GOVERNANCE STRUCTURES AND INCORPORATION OF THE PARTY**

As a result of the COVID related disruption to the Party's Conference schedule this has further delayed decisions on the implementation of incorporation.

As of May 2021 this issue remains unresolved. The Extraordinary Conference in May 2021 failed to agree a proposed constitution to take to the Members and this issue remains ongoing.

Throughout 2020, extensive work from a range of stakeholders was undertaken to develop our new political strategy to take the Party through to 2030. This strategy was amended and approved at spring 2021 Conference and is now informing the Party's future planning.

#### **FINANCIAL REVIEW**

In a year without the fundraising that accompanies elections, the Income and Expenditure Account shows that the Party's total income went down by £0.7m (20%), while expenditure reduced by £0.2m (8%). As a result, the Party made a planned overall net deficit for the year of £181,408, a reduction compared with the net surplus of £277,326 recorded in 2019.

The Balance Sheet returned to net liabilities of £104,966 as at 31 December 2020, compared to net assets in 2019 of £76,442.

Despite the slight fall in Member numbers, income from membership subscriptions increased again this year, up by 6% to £1.27m, showing a slight growth in the average income per Member. In the absence of any elections, appeals donations fell by £0.6m.

Campaign expenditure went down by £477k to £49k, compared to £526k in 2019. However, we invested some of the surplus made in 2019 to improve the operational capacity of the Party. As a result, staff costs went up by £169k to £1.6m and other support costs increased by £266k.

During the year, the Party made a significant investment in IT systems, replacing a lot of the technology used to collect and record memberships and donations, including replacing the Membership database. This should enable us to provide a more efficient service to Members and the scalability to welcome many more Members during periods of peak interest.

Despite the reduction in overall net assets, cash balances remained healthy at £403k at the end of the year, although it should be noted that capitation payments due to local parties were £354k as at 31 December 2020 (2019 £346k).

Much of the Party's activity was gearing up to contest a record number of seats in the May 2021 elections. We provided greater support than ever to our local parties, helping grow the number of councillors and consolidating their positions, identifying and investing in potential new target seats at all levels of government.

#### **Going Concern Statement**

The accounts have been prepared on a going concern basis. Although the Party returned to a net liabilities position at the end of 2020, forecasts for 2021 and 2022 show a return to net surpluses. We will do this by steadily increasing our Members and donations and by ensuring that costs are financially sustainable.

We have prepared detailed financial forecasts through to the end of 2022 which show that the Party can continue to operate within its financial means for the foreseeable future. We maintain tight financial control, including through annual departmental budgets against which actual performance is compared monthly. The Party Executive has identified and assessed key financial risks and the management's responses to them and has concluded that it is appropriate for the party to continue to be classed as a going concern.

For further information please refer to the Going Concern paragraph of Note 1 - Accounting Policies, contained within the Notes to the Financial Statements.

## **The Green Party**

### **Report of the Party's Officers for the year ended 31 December 2020**

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#### **COVID-19**

During early 2020 the COVID-19 outbreak started to impact people, businesses and other organisations across the world. On 23 March 2020 the UK government announced lockdown measures which significantly curtailed the normal way of life of people across the whole country, with well-publicised severe effects on the wider economy. The Green Party took swift action to shut its offices at the Biscuit Factory and to move all of our employees to home working. Although this has been disruptive, it is to the credit of the staff that the transition has been accomplished with minimal impact on the day to day functioning of the Party.

To date, the negative financial impact of COVID-19 on the Party has been limited. The spring 2020 Conference, scheduled to take place in Brighton, had to be cancelled, but we managed to replicate much of what was planned online, and then managed a successful online autumn Conference attracting more than 1,000 participants. The postponement of the May 2020 local elections was disappointing as we believed we were on track for significant gains which would have likely had a positive impact on membership numbers and revenue.

Overall, the Party's income in 2020 was marginally below budget, and expenditure was less than budgeted. GPEx and the management of the Party are monitoring the financial impact of the crisis very carefully and stand ready to take appropriate measures to preserve the financial stability of the Party. However, we do not currently anticipate that significant action will be required in the short term.

Based upon information currently available, we do not believe that COVID-19 requires us to modify our view that the Party can operate as a Going Concern for the foreseeable future.

#### **Post Balance sheet event**

The Party took the decision to activate a break clause in our London office lease and the staff team will all continue to work from home for at least the first half of 2021. The offices were vacated in March 2021, and full provision has been made in these accounts for the dilapidations costs, as well as writing down the associated fixture and fittings net book value.

#### **STATEMENT OF REGISTERED TREASURER'S RESPONSIBILITIES**

The Registered Treasurer is responsible for preparing the financial statements in accordance with applicable law and regulations. The Political Parties, Elections and Referendums Act 2000 requires the Registered Treasurer of the Party to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Party and of the surplus or deficit for that period.

In preparing those financial statements, the Registered Treasurer is required to:

- select suitable accounting policies and then prepare them consistently;
- make reasonable and prudent judgements and estimates;
- state whether applicable United Kingdom accounting standards have been followed, providing details and explanations of any departures in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Party will continue in operation.

This report has been approved by the Party Officers.

  
**Joh Nott, Registered Treasurer**  
24 June 2021



## **Independent Auditor's Report to the Registered Treasurer of The Green Party**

### **Opinion**

We have audited the financial statements of The Green Party of England and Wales for the year ended 31 December 2020 which comprise the Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes including a summary of significant accounting policies. These financial statements have been prepared under the accounting policies set out therein and the requirements of FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (September 2015) (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the Party's affairs as at 31 December 2020 and of its income and expenditure in the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Political Parties, Elections and Referendums Act 2000.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Party in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Registered Treasurer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Registered Treasurer's assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Party's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Registered Treasurer with respect to going concern are described in the relevant sections of this report.

### **Other information**

The Registered Treasurer is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of the Registered Treasurer**

As explained more fully in the Statement of Registered Treasurer's Responsibilities included in the Report of the Party Officers, the Registered Treasurer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Registered Treasurer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Registered Treasurer is responsible for assessing the Party's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Registered Treasurer either intend to liquidate the Party or to cease operations, or have no realistic alternative but to do so.

## **Independent Auditor's Report to the Registered Treasurer of The Green Party**

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 43 of the Political Parties, Elections and Referendums Act 2000 in accordance with the regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with applicable law.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the Party operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the Registered Treasurer of The Green Party, in accordance with the Party's rules and section 43 of the Political Parties, Elections and Referendums Act 2000. Our audit work has been undertaken so that we might state to the Treasurer those matters we are required to state to him/her 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 Treasurer, for our audit work, for this report, or for the opinions we have formed.

### **MHA MacIntyre Hudson**

Chartered Accountants and Statutory Auditor

2 London Wall Place

London

EC2Y 5AU

Date: 6 July 2021

**The Green Party**  
**Income and Expenditure Account**  
**For the year ended 31 December 2020**

	Notes	General Fund £	Other Funds £	Total 2020 £	Total 2019 £
<b>Income</b>					
Membership income		1,267,322	-	1,267,322	1,197,005
Friends' dues		13,334	-	13,334	4,245
Donations		1,093,403	78,097	1,171,500	1,764,850
Income from fundraising activities		-	-	-	710
Commission income	2	24,614	-	24,614	21,331
Campaign Income:					
Freepost sales	3	-	-	-	167,609
Green Campaign Shop		8,164	-	8,164	23,949
Income from legacies		19,475	-	19,475	70,794
Interest receivable net of tax		584	111	695	456
Conference income		49,439	-	49,439	84,392
Other income	4	18,363	175,600	193,963	119,221
<b>Total Income</b>		<b>2,494,698</b>	<b>253,808</b>	<b>2,748,506</b>	<b>3,454,562</b>
<b>Expenditure</b>					
Cost of appeals and donations		38,686	5,882	44,568	60,453
Cost of publications and other materials	5	20,520	-	20,520	20,520
Campaign expenditure	6	35,021	13,690	48,711	525,683
Local and regional party support	6	43,000	813	43,813	104,467
Green Campaign Shop costs		5,803	-	5,803	20,812
Bank and credit card charges		72,802	96	72,898	86,437
Cost of Conferences		37,984	3,694	41,678	118,916
Regional and local party capitations	7	299,488	-	299,488	294,496
Staff costs	8	1,358,478	241,430	1,599,908	1,431,167
Office and premises costs		362,668	3,025	365,693	234,217
Management and administration		319,523	54,435	373,958	239,640
External communications		12,744	-	12,744	38,428
Grants payable		-	-	-	2,000
<b>Total Expenditure</b>		<b>2,606,717</b>	<b>323,065</b>	<b>2,929,782</b>	<b>3,177,236</b>
(Deficit) / Surplus before taxation	11	(112,019)	(69,257)	(181,276)	277,326
Taxation charge	10	(132)	-	(132)	(87)
<b>(Deficit) / Surplus for the year</b>		<b>(112,151)</b>	<b>(69,257)</b>	<b>(181,408)</b>	<b>277,239</b>
Total funds brought forward		(203,022)	279,464	76,442	(200,797)
Transfers between funds		(26,400)	26,400	-	-
<b>Total funds carried forward</b>	17	<b>(341,573)</b>	<b>236,607</b>	<b>(104,966)</b>	<b>76,442</b>

**The Green Party  
Balance Sheet  
as at 31 December 2020**

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		<u>5,736</u>		<u>16,505</u>
			5,736		16,505
<b>Current assets</b>					
Inventories	13	17,652		14,776	
Debtors	14	110,401		65,293	
Cash at bank and in hand	15	<u>403,496</u>		<u>580,989</u>	
		531,549		661,058	
<b>Creditors: amounts falling due within one year</b>	16	(642,251)		(601,121)	
<b>Net current (liabilities) / assets</b>			<u>(110,702)</u>		<u>59,937</u>
<b>Total assets less current liabilities</b>			<u>(104,966)</u>		<u>76,442</u>
<b>Net (liabilities) / assets</b>			<u>(104,966)</u>		<u>76,442</u>
<b>Reserves</b>					
General Reserves	17	(104,966)		76,442	
<b>Total reserves</b>			<u>(104,966)</u>		<u>76,442</u>

The financial statements were approved and authorised for issue by the Party's Executive on 24 June 2021, and signed on their behalf by:



**Jon Nott**  
Registered Treasurer

**The Green Party**  
**Statement of Cash Flows**  
**For the year ended 31 December 2020**

	2020 £	2019 £
<b>Cash (out) / inflow from operating activities (see below)</b>	<u>(171,398)</u>	<u>478,501</u>
<b>Cash flow from investing activities</b>		
Payments to acquire tangible fixed assets	(6,790)	(19,418)
Interest received	695	456
Net cash flow from investing activities	<u>(6,095)</u>	<u>(18,962)</u>
<b>Cash flow from financing activities</b>	-	-
<b>Net (decrease) / increase in cash and cash equivalents</b>	(177,493)	459,539
Cash and cash equivalents at 1 January 2020	<u>580,989</u>	<u>121,450</u>
Cash and cash equivalents at 31 December 2020	<u><u>403,496</u></u>	<u><u>580,989</u></u>
<b>Cash and cash equivalents consists of:</b>		
Cash at bank and in hand	131,444	575,685
Short term deposits	<u>272,052</u>	<u>5,304</u>
<b>Cash and cash equivalents at 31 December 2020</b>	<u><u>403,496</u></u>	<u><u>580,989</u></u>

**Reconciliation of net income / (expenditure) to net cash flow from operating activities**

Net (expenditure) / income for year	(181,276)	277,326
Interest receivable	(695)	(456)
Loss on disposal of fixed asset	11,972	948
Depreciation of tangible fixed assets	5,587	3,118
(Increase) / Decrease in debtors	(45,108)	(4,501)
(Increase) / Decrease in inventories	(2,876)	5,561
Increase / (decrease) in creditors	41,130	196,592
Taxation paid	(132)	(87)
Net cash flow from operating activities	<u>(171,398)</u>	<u>478,501</u>

# The Green Party

## Notes to the Financial Statements

### For the year ended 31 December 2020

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#### 1 Accounting policies

##### **Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (September 2015) and the Statement of Accounts Guidance Notes issued by The Electoral Commission.

The Green Party is a political party within the United Kingdom, constituted under the Political Parties, Elections and Referendums Act 2000. The financial statements are prepared in sterling which is the functional currency of the Party. The Party's Headquarters and principal place of business is given on page 3.

Local and regional Green Party groups are separately registered Accounting Units with the Electoral Commission and their financial transactions are not consolidated in these accounts.

##### **Going concern**

The Party made a planned deficit in 2020 as we invested in the Party's infrastructure to enable us to continue to get Green's elected. Although this has resulted in the Balance Sheet returning to a net liabilities position, the Party maintains a strong cashflow position, and plans to return to a surplus in 2021.

Detailed budgets and forecasts have been prepared for the period up to 31 December 2022. These show that the Party can continue to maintain a positive cash balance and is expected to be able to meet any financial obligations as they fall due for the foreseeable future.

The Finance team, the Party Executive (GPEx) and the Party's Administration and Finance Committee (AFCom) scrutinise actual financial performance and cash flow by reference to regularly updated budgets and forecasts.

The forecasts for 2021 and 2022, along with ongoing efforts made to maintain and improve the Party's current high standards of financial control and forward financial visibility give the Party reason to consider it appropriate to prepare the accounts on a Going Concern basis.

The emergence of COVID-19 in early 2020 had limited financial impact on the Party. It is not considered that any of the financial effects of the virus and its consequent economic disruption materially impact the valuation of any of the assets or liabilities of the Party as at the Balance Sheet date.

While the new lockdown imposed in January 2021 has interfered with our ability to electioneer, it has limited impact on the functioning of Party due to the successful transition to working from home in 2020. Income trends are sufficiently well understood to allow us to better forecast the financial impact and it is considered that this does not affect the Party's ability to continue to operate as a Going Concern for the foreseeable future.

##### **Post-balance Sheet Event**

The Party took the decision in September 2020 to activate a break clause in our office lease and the staff team will continue to work from home for at least the first half of 2021. The offices were vacated in March 2021.

##### **Judgements in applying accounting policies and key sources of estimation uncertainty**

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Party's accounting policies:

No significant judgements, further to that surrounding going concern as noted under the Basis of preparation paragraph above, have been made by management in preparing these financial statements.

The following principal accounting policies have been applied:

##### **Income recognition**

Income is recognised when all of the following conditions have been met:

- The Party is entitled to the assets;
- It is probable that the asset will be received; and
- The value of the asset can be measured with reliability.

Applying these criteria to specific types of income results in the following treatment:

- Donations of monetary assets are recognised in the Income and Expenditure Account on receipt at fair value.

/Continued ...

**The Green Party**  
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**1 Accounting policies (continued)**

- Gifts in Kind are recognised at the fair value of the donated goods or services, at the date of receipt, with an expense or asset of the equivalent value being recognised at the same time. Fair value is deemed to be the value the Party would be willing to pay for the gift if it were to be purchased. In the specific case of Artwork donated for onwards resale to raise funds, this is recognised at an estimate of market value made by the donating artist using specified criteria.
- Membership subscriptions are recognised in the Income and Expenditure Account on a cash basis and the income shown in the accounts is the total received before deducting the capitations due to local and regional parties.
- Interest receivable is recognised in the Income and Expenditure Account on the accruals basis.
- Revenue from the Party's sale of publications and other materials is recognised in the Income and Expenditure Account as the benefit of the goods or services is transferred to the customer.
- Legacy income is included in the Income and Expenditure Account when it becomes probable that the legacy will be received and its value can be measured with sufficient reliability (for example if advance notification of a distribution is received from the executors).
- Freepost sales are recognised in the Income and Expenditure Account on receipt.
- Government grants such as Short Money are recognised at the amount entitled to be claimed, i.e. an amount equivalent to the expenditure claimable, in the year in which the related expenditure is incurred.
- All other income including affiliation fees, commission etc. is recognised on the accruals basis.

***Expenditure recognition***

All expenditure is accounted for on the accruals basis, this includes irrecoverable VAT.

***Fixed assets and depreciation***

Assets costing more than £1,000 are capitalised and depreciation is provided on all tangible fixed assets at rates calculated to write off their cost on a straight line basis over their expected useful lives, as follows:

Office furniture and equipment	5 years
Website	3 years
Computer equipment	3 years

***Inventories***

*Campaign shop inventories* are stated at the lower of cost and estimated selling price less costs to complete and sell. Inventories are recognised as an expense in the period in which the related revenue is recognised. Cost is determined on the first-in, first-out (FIFO) method.

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell. The impairment charge is recognised in the income and expenditure account. Where a reversal of the impairment is required the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the income and expenditure account.

*Donated Artwork* stock is held at the fair value at which it is recognised at the point of donation, being equivalent to market value. The market value of the artwork is determined on a 'piece by piece' basis, and is measured by experts within the industry.

***Debtors***

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

/Continued ...

**The Green Party**  
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**1 Accounting policies (continued)**

***Cash and cash equivalents***

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

***Creditors***

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

***Taxation***

The Party is an unincorporated volunteer association considered to have mutual trading status and is therefore liable to corporation tax on its investment income. No deferred tax is recognised in the Party's accounts as any investment income is taxed on the same basis as it is recognised in the income and expenditure account.

***Operating leases policy***

Payments made under operating leases are charged to the Income and Expenditure Account on a straight-line basis over the period of the lease.

***Pension arrangements***

The Party contributes to a group pension fund or a staff member's personal pension funds and costs are charged to the Income and Expenditure Account when due.

***Financial Instruments***

The Party holds basic Financial Instruments. The financial assets and financial liabilities of the Party are as follows:

Financial assets – Trade and Other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial Liabilities - Trade creditors, other creditors and capitations payable will be classified as financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure. Accruals and deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver Party services rather than cash or another financial instrument.

**2 Commission income**

Commissions are received from affinity schemes with Ecotricity, Recycle 4 Charity and Teemill Tech Ltd (formerly Rapanui Clothing Ltd).

**3 Freepost sales**

Every candidate standing in a Westminster parliamentary election is entitled to send one communication via Royal Mail, with no charge to them for postage, to every eligible elector on the relevant electoral register(s) or to every domestic address within the relevant electoral area. The Central Party pays for all of the printing costs and is then reimbursed by the relevant Accounting Units for their share of these costs.



**The Green Party**  
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<b>4 Other income</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Government grants - Short Money	175,601	115,681
COVID-19 Job Retention Scheme grants	17,131	-
Other	1,231	3,540
	<u>193,963</u>	<u>119,221</u>

Short Money is made available to all opposition parties in the House of Commons that secured either two seats, or one seat and more than 150,000 votes, at the previous General Election. The allocations are provided to assist an opposition party in carrying out its Parliamentary business, and for travel and associated expenses.

During the year, the Party claimed COVID-19 Job Retention Scheme grants for staff unable to continue to work during lockdown. There are no unfulfilled conditions to this income at year end.

**5 Cost of publications and other materials**

Green World is the official The Green Party members' magazine and its budget is set by the Executive as part of the overall budgeting process. The publication is a Member benefit and is funded by membership subscriptions.

<b>6 Campaign expenditure</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Freepost expenses	-	197,682
Non election campaigns expenditure	1,472	4,650
Local and regional party support	43,813	104,467
Other campaign expenses	47,239	323,351
	<u>92,524</u>	<u>630,150</u>

Freepost expenses are the total printing costs incurred by the Central Party relating to the Freepost sales explained in Note 3.

**7 Capitulations**

Capitulations are payments to the Party's regional and local parties and represent a set portion of membership income, as agreed under the Party constitution. These amounts are accrued monthly and are paid annually in arrears, once the Party's audited accounts have been approved.

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Capitulations accrued during the year	299,488	294,496
	<u>299,488</u>	<u>294,496</u>

**The Green Party**  
**Notes to the Financial Statements**  
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<b>8 Staff costs and numbers</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,618,490	1,345,497
Social security costs	153,577	115,420
Pension contributions	64,055	29,793
	<u>1,836,122</u>	<u>1,490,710</u>
Salary Recharges	(308,345)	(196,071)
Agency staff	72,131	136,528
	<u>1,599,908</u>	<u>1,431,167</u>

Salary Recharges is the total cost of staff funded by our Accounting Units.  
The prior year figures have been restated to separate out these recharges, which were previously netted off.

Key Management Personnel remuneration	<u>435,192</u>	<u>229,205</u>
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Key Management Personnel are considered to be members of the Party Executive, the Party's Chief Executive Officer (CEO), Chief Operations Officer (COO), Head of Elections & Field Operations, Head of Communications, Head of Development, Head of Finance, and Head of IT & Digital.  
(2019: Members of the Party's Executive, CEO, COO, Head of Elections & Field Operations, Head of Communications, and Head of Development.)

Party Executive members received no remuneration in that capacity in 2020 (2019 - £nil). One of the Co-leaders and the Deputy Leader receive allowances in their Leadership capacity but these sums are not included in this figure.

	<b>2020</b>	<b>2019</b>
The average headcount numbers during the year was as follows:		
Management and Leadership	6.0	5.6
Election agent	1.0	1.0
External communications	3.1	4.2
Administration & Finance	13.3	14.5
Fundraising	4.8	1.8
Conferences	2.0	2.0
Parliamentary Office	4.8	4.7
Campaigns	-	1.0
Elections and Local Party Support	<u>25.7</u>	<u>19.9</u>
	<u>60.7</u>	<u>54.7</u>

**9 Related party transactions**

£9,174 (2019 - £14,059) was reimbursed to a total of 18 (2019 - 22) individuals who were members of the Party Executive or Key Management Personnel. The reimbursed expenditure related to travel costs and subsistence.

**The Green Party**  
**Notes to the Financial Statements**  
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<b>10 Taxation</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Taxation on investment income	<u>132</u>	<u>87</u>

The investment income is shown net of taxation in the Income and Expenditure Account.

<b>11 Deficit for the year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
The deficit for the year is stated after charging:		
Auditors remuneration - audit services statutory accounts		
Current year	18,420	15,000
Prior year under / (over) provision	564	(290)
Auditors remuneration - non statutory accounts audit services	1,494	12,766
Operating lease charges	55,337	69,297
Depreciation	5,587	3,118
Inventory recognised as an expense	579	5,010
Impairment of inventory	-	551
Loss on disposal of fixed assets	11,973	948
	<u>          </u>	<u>          </u>

<b>12 Tangible fixed assets</b>	<b>Office equipment</b>	<b>Computer equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 January 2020	20,849	29,972	50,821
Additions	-	6,790	6,790
Disposals	(18,419)	-	(18,419)
At 31 December 2020	<u>2,430</u>	<u>36,762</u>	<u>39,192</u>
<b>Depreciation</b>			
At 1 January 2020	4,344	29,972	32,619
Charge for the year	3,884	1,703	5,587
On disposals	(6,447)	-	(6,447)
At 31 December 2020	<u>1,781</u>	<u>31,675</u>	<u>33,456</u>
<b>Net book value</b>			
At 31 December 2020	<u>649</u>	<u>5,087</u>	<u>5,736</u>
At 31 December 2019	<u>16,505</u>	<u>-</u>	<u>16,505</u>

**The Green Party**  
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<b>13 Inventories</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Campaign Shop	6,652	3,776
Artwork	11,000	11,000
	<u>17,652</u>	<u>14,776</u>

<b>14 Debtors</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade debtors	23,568	4,924
Other debtors	21,999	18,364
Greenquest loans	13,439	9,064
Prepayments and accrued income	51,395	32,941
	<u>110,401</u>	<u>65,293</u>

The Greenquest loans are interest free and made to local and regional parties to fund election deposits and development activity. The balance includes £800 (2019: £3,100) falling due after more than one year.

<b>15 Cash and cash equivalents</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	<u>403,496</u>	<u>580,989</u>

<b>16 Creditors: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	31,464	70,961
Corporation tax	132	86
Other taxes and social security costs	41,149	67,656
Other creditors	65,695	39,526
Accruals and deferred income	149,467	76,425
Capitations payable to local and regional parties	354,344	346,467
	<u>642,251</u>	<u>601,121</u>

Deferred income at the end of 2019 included Spring 2020 Conference income received in advance.

**The Green Party**  
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**17 Reconciliation of movement in funds**

	<b>Brought Forward</b> <b>1 Jan 2020</b> £	<b>Incoming Resources</b> £	<b>Outgoing Resources</b> £	<b>Transfers Between Funds</b> £	<b>Carried Forward</b> <b>31 Dec 2020</b> £
<b>Specific Funds</b>					
Greenquest (see Note 14)	37,751	317	-	-	<b>38,068</b>
Short Money (see Note 4)	-	175,601	(175,601)	-	-
Elections	112,870	4,100	(31,827)	-	<b>85,143</b>
Parliamentary Office	60,118	516	(19,674)	-	<b>40,960</b>
Young Greens	18,056	4,665	(21,502)	26,400	<b>27,619</b>
Deyika Nzeribe	14,903	11,571	-	-	<b>26,474</b>
Access	8,514	1,384	(19)	-	<b>9,879</b>
Case for support	-	54,934	(54,934)	-	-
Miscellaneous other Funds	27,252	720	(19,508)	-	<b>8,464</b>
<b>General Fund</b>	(203,022)	2,494,698	(2,606,849)	(26,400)	<b>(341,573)</b>
	<b>76,442</b>	<b>2,748,506</b>	<b>(2,929,914)</b>	-	<b>(104,966)</b>

Elections - to support local, European and General Election campaigns.

Parliamentary Office - to ensure the smooth running of the team in Parliament.

Young Greens - funds are kept separately and administered on behalf of Young Greens.

Deyika Nzeribe - to support the engagement, development and election of Global South heritage candidates.

Access - to enable financially disadvantaged members to attend Conference.

Case for support - donations to support work to inform the political strategy.

**Prior year comparatives**

	<b>Brought Forward</b> <b>1 Jan 2019</b> £	<b>Incoming Resources</b> £	<b>Outgoing Resources</b> £	<b>Transfers Between Funds</b> £	<b>Carried Forward</b> <b>31 Dec 2019</b> £
<b>Specific Funds</b>					
Greenquest	36,296	636	-	819	37,751
Short Money	-	115,681	(115,681)	-	-
Elections	51,704	791,983	(730,817)	-	112,870
Parliamentary Office	68,713	47,333	(55,928)	-	60,118
Young Greens	-	18,168	(3,288)	3,176	18,056
Deyika Nzeribe	-	40	-	14,863	14,903
Access	-	4,138	(1,340)	5,716	8,514
Miscellaneous other Funds	1,101	27,754	(1,357)	(246)	27,252
<b>General Fund</b>	(358,611)	2,448,829	(2,268,912)	(24,328)	(203,022)
	<b>(200,797)</b>	<b>3,454,562</b>	<b>(3,177,323)</b>	-	<b>76,442</b>

**The Green Party**  
**Notes to the Financial Statements**  
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**18 Post employment benefits**

**Defined contribution scheme**

The Party provides a defined contribution scheme for its employees. The amount recognised as an expense for the defined contribution scheme was:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Current year contributions	<u>64,055</u>	<u>29,793</u>

**19 Capital and other commitments**

The Party did not have capital commitments at the year end (2019: Nil)

The Party had the following future minimum lease payments under non-cancellable operating leases for each of the following periods.

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
On office space		
Payable within one year	14,167	62,993
Payable within two to five years	-	15,938
On equipment		
Payable within one year	898	771
Payable within five years	3,261	2,918
Over five years	-	729

**20 Reportable donations**

During the year the Central Party accepted and reported to the Electoral Commission the following amounts, which exceeded the PPERA Central Party reporting threshold of £7,500, as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Donations	172,000	441,068
Public Funds, including Short Money and JRS COVID grants (see Note 4)	192,731	106,121
	<u>364,731</u>	<u>547,189</u>

The total donation income for the year, was £1,171,500 (2019: £1,764,850).

In addition to the above Central Party amounts, £86,293 was reported on behalf of Local Party Accounting Units (2019: £200,759).