

GREENSTONE + LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 APRIL 2021

**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 30 APRIL 2021**

The chairman presents his statement for the period.

Brief overview

Greenstone was incorporated on March 27, 2006 and provides software solutions and consultancy services to companies and the public sector encompassing all areas of non-financial reporting including Environment, Frameworks, Health and Safety, Supply Chain and Investor ESG.

Greenstone's software solutions include an Enterprise solution enabling clients to measure, manage, model and report their sustainability impacts; and SupplierPortal, an innovative online secure environment for suppliers and buyers to share data and supporting information and InvestorPortal, targeted at the Private Capital market, for the management of Environment, Social and Governance metrics across their investment portfolios. All software solutions are provided as Software as a Service (SaaS) solutions and Greenstone is regularly cited as a leader in its field in the UK and globally. Greenstone continues to invest in the development and diversification of its software solutions to design new innovative products that address the constant evolution and growth of the sustainability area and our clients' requirements.

During the year Greenstone was again recognised by Environmental Leader (Top Product of the Year) and Business Intelligence Group (Sustainability Product of the Year) and maintained its CDP Gold Partner status. Greenstone also had its science-based target approved and, as in previous years, submitted its annual UN Global Compact Communication on Progress.

Operating performance

Greenstone has had another strong year and has seen revenue growth across all products and markets. In total revenue growth showed an annual increase of 32% (2020: 20%) helped by the up take of our new InvestorPortal product. We have also seen significant wins and growth in the US market and existing client revenue has continued to grow as clients broaden their reporting and adopt additional modules from the Greenstone solution suite. We established our US subsidiary Greenstone+ Inc during the year. Due to COVID restrictions we could not begin commercial operations but we now plan to start operations from September 2021.

Greenstone recorded a positive EBITDA of £552K (2020: £295k excluding exceptionals) and a net profit after tax of £344,246 (2020: profit of £82,098 excluding exceptionals).

As in previous years all geographic expansion and product diversification costs have been absorbed within current operating costs. Investments in these market extension activities, staff and further software development are expected to result in further revenue growth in the coming year. Costs continue to be managed conservatively and expansion to new geographic markets, product diversification and new client acquisition remain our key focus areas. The progress of United States office has been frustrated by the Covid 19 restrictions but remains a key objective. In the interim, a dedicated North America team has been servicing the North American market from the UK.

Greenstone's clients cover numerous sectors, organisation types and sizes and by the end of the financial year Greenstone's solutions were being used in more than 1750 organisations in over 100 countries. Client satisfaction remains exceptionally high and Greenstone's client support, consultancy and bureau services are regularly cited by clients as key differentiators.

Covid-19

Greenstone has continued to perform well in spite of Covid-19 restrictions and this is demonstrated by both the strong financial performance reported above and the strengthening of the team which has now grown from 18 to 26 during lockdown period. Our sector has been a beneficiary of a Covid-19 initiated focus on sustainability issues and supply chain risk and we have seen both increased new client business and increased activity from existing clients. Client retention has also continued to be strong with only one client loss in the period.

GREENSTONE + LIMITED

**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 30 APRIL 2021**

Board

There were no changes to the Board in the year.

Quarterly Board Meetings have continued to be supplemented with monthly update calls to provide additional visibility and engagement during the Covid-19 period. A Security and Risk sub-committee has been introduced to provide Board overview on IT and data security and corporate risk matters.

Staff

The combination of skills required to develop and deliver Greenstone's propositions encompass three key areas - subject matter knowledge and expertise, technical software development and client advisory and support services. This blend provides our clients with a unique resource and knowledge base in the development of their own sustainability measurement, monitoring and reporting capabilities. In the development of best of class software propositions and the services we provide to our clients, we remain indebted to our staff and thank them for their continued energy, innovation and contributions. This has never been more true than in this Covid-19 period which has been a real test of the commitment, resourcefulness and adaptability of the Greenstone team. They have, without exception, continued to perform exceptionally.

I have been your Chairman since the inception of our company. At the September 2021 Board meeting I resigned and handed over the chair to Richard Last who will bring to bear his experience in floating and selling emerging companies, something of increasing relevance to Greenstone in the light of the continuing solid progress of recent years. This has been an interesting and enjoyable period working with a committed and impressive team whose support I acknowledge with gratitude and with my confidence for their future.

Name M Gregson

Outgoing Chairman

Date 18 October 2021

GREENSTONE + LIMITED
REGISTERED NUMBER: 05757600

BALANCE SHEET
AS AT 30 APRIL 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	5	481,677	467,212
Tangible assets	6	8,600	5,700
Investments	7	27,531	-
		517,808	472,912
Current assets			
Debtors: amounts falling due within one year	8	612,239	667,391
Cash at bank and in hand	9	1,228,453	541,283
		1,840,692	1,208,674
Creditors: amounts falling due within one year	10	(1,119,562)	(787,419)
		721,130	421,255
Net current assets		721,130	421,255
Total assets less current liabilities		1,238,938	894,167
Net assets		1,238,938	894,167
Capital and reserves			
Called up share capital	11	659,481	658,956
Share premium account		5,828,829	5,828,829
Capital redemption reserve		139	139
Profit and loss account		(5,249,511)	(5,593,757)
		1,238,938	894,167

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

T Slack

Director

Date: 16 October 2021

The notes on pages 5 to 13 form part of these financial statements.

GREENSTONE + LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2021

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 May 2020	658,956	5,828,829	139	(5,593,757)	894,167
Profit for the year	-	-	-	344,246	344,246
Total comprehensive income for the year	-	-	-	344,246	344,246
Shares issued during the year	525	-	-	-	525
Total transactions with owners	525	-	-	-	525
At 30 April 2021	659,481	5,828,829	139	(5,249,511)	1,238,938

The notes on pages 5 to 13 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2020

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 May 2019	9,095	5,828,829	-	(6,483,946)	(646,022)
Profit for the year	-	-	-	890,328	890,328
Total comprehensive income for the year	-	-	-	890,328	890,328
Purchase of own shares	-	-	139	(139)	-
Shares issued during the year	650,000	-	-	-	650,000
Shares redeemed during the year	(139)	-	-	-	(139)
Total transactions with owners	649,861	-	139	(139)	649,861
At 30 April 2020	658,956	5,828,829	139	(5,593,757)	894,167

The notes on pages 5 to 13 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

1. General information

Greenstone+ Limited is a private limited company, limited by shares and incorporated in England and Wales (registered number: 05757600). The registered office and principal place of business is 5th Floor, Crown House, 143 - 147 Regent Street, London, W1B 4NR.

The principal activity of the entity during the year was that of a provider of non-financial reporting software solutions and consultancy services.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The functional currency used is pound sterling.

The financial statements have been rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Improvements to property	-	33%	straight line
Fixtures and fittings	-	33%	straight line
Computer equipment	-	33%	straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.6 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.

2.7 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.

2.8 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

2. Accounting policies (continued)

2.9 Creditors

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

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.11 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each Balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

2. Accounting policies (continued)

2.13 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.15 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.16 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

GREENSTONE + LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

3. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2021	2020
	No.	No.
	<u>26</u>	<u>24</u>

4. Taxation

	2021	2020
	£	£
Corporation tax		
Adjustments in respect of previous periods	(63,625)	(64,308)
Total current tax	<u>(63,625)</u>	<u>(64,308)</u>
Deferred tax	<u>-</u>	<u>-</u>
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on loss on ordinary activities	<u>(63,625)</u>	<u>(64,308)</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021	2020
	£	£
Profit on ordinary activities before tax	<u>280,621</u>	<u>826,020</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	53,318	156,944
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	820	409
R&D tax credit relating to prior period	(63,625)	(64,308)
Deferred tax not recognised	(54,138)	(68,713)
Non-taxable income	-	(88,640)
Total tax charge for the year	<u>(63,625)</u>	<u>(64,308)</u>

Factors that may affect future tax charges

GREENSTONE + LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

4. Taxation (continued)

In the Spring Budget 2021, the Government announced that from 1 April 2023 the main corporation tax rate will increase to 25%. As the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements. However, the impact of these changes is not expected to be material.

5. Intangible assets

	Development expenditure £
Cost	
At 1 May 2020	3,415,623
Additions	278,569
	3,694,192
At 30 April 2021	3,694,192
Amortisation	
At 1 May 2020	2,948,411
Charge for the year on owned assets	264,104
	3,212,515
At 30 April 2021	3,212,515
Net book value	
At 30 April 2021	481,677
At 30 April 2020	467,212

GREENSTONE + LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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6. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 May 2020	123,625	36,935	75,726	236,286
Additions	-	-	10,223	10,223
At 30 April 2021	123,625	36,935	85,949	246,509
Depreciation				
At 1 May 2020	123,625	36,935	70,026	230,586
Charge for the year on owned assets	-	-	7,323	7,323
At 30 April 2021	123,625	36,935	77,349	237,909
Net book value				
At 30 April 2021	-	-	8,600	8,600
At 30 April 2020	-	-	5,700	5,700

7. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
Additions	75,974
Revaluations	(48,443)
At 30 April 2021	27,531

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Class of shares	Holding %
Greenstone + Inc	Ordinary	100

GREENSTONE + LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021**

8. Debtors

	2021 £	2020 £
Trade debtors	398,784	496,248
Other debtors	42,954	45,856
Prepayments and accrued income	170,501	125,287
	612,239	667,391

9. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	1,228,453	541,283

10. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	36,997	11,425
Other taxation and social security	118,529	107,096
Other creditors	6,542	5,256
Accruals and deferred income	957,494	663,642
	1,119,562	787,419

11. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
948,128 (2020 - 895,628) Ordinary A shares of £0.01 each	9,481	8,956
650,000 Preferred Ordinary shares of £1.00 each	650,000	650,000
	659,481	658,956

During the year, the Company issued 52,500 Ordinary A £0.01 shares.

12. Pension commitments

The company operates a defined contribution scheme for directors and employees. The cost for the period was £41,052 (2020: £29,987). At the year end the pension contributions outstanding are £6,542 (2020: £5,256).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

13. Related party transactions

During the year, in the ordinary course of business and on an arm's length basis, St Albans Capital LLP charged Greenstone+ Limited £39,531 (2020: £36,580) for general financial advice, consultancy advice and recharged expenses. At the Balance Sheet date the outstanding balance due to St Albans Capital LLP from Greenstone+ limited was £2,417 (2020: £5,683). St Albans Capital LLP is a related party due to common directorships.

14. Controlling party

The directors consider there to be no overall controlling party.

The company is administered in accordance with the terms of the shareholder agreement.

15. Employee share schemes

During the year ended 30 April 2021, the company cancelled a total of 49,193 EMI Share Options granted to directors that were not exercised and granted 150,240 EMI Share Options to directors.

16. Auditor's information

The auditor's report on the financial statements for the year ended 30 April 2021 was unqualified.

The audit report was signed on 19 October 2021 by Fiona Hawkins BSc Hons MSc FCA (Senior statutory auditor) on behalf of James Cowper Kreston.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.