

**RECYCLING OF USED PLASTICS LIMITED**  
**(being a Company Limited by Guarantee)**  
**(Registered Charity No. 1072029)**  
**Company No. 2435729**

**Financial Statements**  
**for the Year Ending 31 December 2020**



## RECOUP CORPORATE MEMBERS

			
			
			
			
			
			
			
			
			
			
			
			

 Good Food. Good Life			
			
			
			
			
			
			
			
			
			
			

## RECOUP ASSOCIATE AND AFFILIATE MEMBERS

	 recycle....reuse	 Circular economy specialists	
	 RECYCLING GROUP		
 food and drink innovation			
 A Future without Rubbish	 Member Company		
	 GREATER MANCHESTER COMBINED AUTHORITY		 working for our community
		 INSIGHT INTO FOCUS	
			 Working for a better future
 CLEANER GREENER today tomorrow			
			
		 Sorting Large Rigid Post-Consumer Plastics	
	 Eco Furniture	 ACHIEVING EXCELLENCE	
			 The University of Manchester
			

**RECYCLING OF USED PLASTICS LIMITED**  
**(being a Company Limited by Guarantee)**

**CHAIRMAN**

Mr M Barney

**TRUSTEES**

Mr M Barney, MBA Packaging  
Mrs L Edwards, Robinson Packaging  
Mr J Armstrong, Kermadec  
Mr I Burman, Laytons Solicitors  
Mr S Sargent, Aura-Soma (retired 23/12/20)  
Mr R Kirkman, Veolia Plc (retired 17/11/20)  
Mr S Stanfield, EcoProcure  
Mr D Baker, RPC Ltd (retired 16/07/20)  
Mr K Trower, Viridor Resource Management Ltd  
Mr S Hayward-Higham, Suez  
Mr P Brennan, Wellman Recycling (retired 16/07/20)  
Mr I Ferguson, Co-operative Group  
Mr M Baxter, BPI RPC  
Mrs H Lloyd House, Nestle  
Mrs A Sutton, Dart  
Mr S Walsh, Tomra  
Mr S Scott, Alpek (retired 16/07/20)

**CHIEF EXECUTIVE OFFICER**

Mr S Foster

**ADVISERS**

Mr A Hawkes, Valpak Limited  
Mr A Whyte, PlasticsEurope  
Mr G Staines, Independent  
Mr D Jones, NAWDO  
Mr J Coates, LARAC  
Mr B Turner, BPF

**COMPANY SECRETARY**

Mrs M Goodyear

**REGISTERED OFFICE**

1 Metro Centre  
Welbeck Way  
Woodston  
Peterborough  
PE2 7UH

**INDEPENDENT EXAMINERS**

Streets

Chartered Accountants  
Enterprise House  
38 Tyndall Court  
Commerce Road  
Lynch Wood  
Peterborough  
PE2 6LR

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# **RECYCLING OF USED PLASTICS LIMITED**

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**(being a Company Limited by Guarantee)**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Trustees, who are also Directors of the Charity, have pleasure in presenting the RECOUP Annual Report and Financial Statements for the year ended 31 December 2020. The Board would like to thank all members, associates and the team who have supported and delivered the work of RECOUP over the past twelve months.

### **An Overview of 2020**

All organisations faced new challenges and changes to the way they worked in 2020 due to COVID-19. With strong governance through the RECOUP Board and management team, ongoing commitment from all the team and sustained support from members, RECOUP has been resilient to the potential impacts of COVID-19. Risks are under regular review to protect the team and the organisation. RECOUP are in a positive position at the end of 2020 as set out in this report.

Following the trend over the past five years, the level of interest in RECOUP and requests for involvement rose again during 2020. This resulted in a net increase in membership and an extension to the team during the year to deliver increased levels of core work. Some planned project activities were delivered, but other projects were delayed or cancelled due to restrictions and changing priorities. The Charity is growing so appropriate systems have been implemented to ensure the organisation continues to work efficiently, and RECOUP also continue to work to ISO 9001 requirements.

The potential for real growth and evolution in all parts of the plastic resources and recycling chain remains and RECOUP input and information is in high demand. There is a genuine confidence that we are collectively stepping up to this challenge. By working in collaboration with the entire supply and recycling chain, RECOUP delivered the required priority reports, research and information on behalf of members in a timely and effective way.

Many organisations remained active in the plastic resource debate in 2020, yet there is still much work to be done. Creating the right balance of legislative drivers, infrastructure, innovation and positive long-term business conditions will allow a viable and resilient plastic resource system to be established. Extending producer and consumer responsibility is viewed as a key driver to achieving these aims with further consultations and developments expected in 2021.

Plastic value chains must be supported and stimulated. Sustainable procurement initiatives need to ensure much wider use of recycled plastics in the manufacturing of new products. The plastic packaging tax based on a 30% recycled content threshold was confirmed in 2020 for implementation in 2022.

There is more to plastic than packaging. Work on recycling more plastics from bulky household plastics, toys, clothing, electrical equipment, medical sector, agriculture and end of life vehicles is also important and represents significant

opportunities. Plastic has the potential to be a truly sustainable and circular resource, and improved re-use and recycling will have a crucial role to play. There is also real opportunity for the plastic resources sector to support and stimulate the government commitment to deliver a green recovery after the pandemic.

## **Legal and Administrative Information**

Recycling Of Used Plastics Limited, otherwise known as RECOUP, is a Registered Charity, number 1072029, and a Company, registered in England and Wales, number 2435729. Its governing documents are its Memorandum and Articles of Association, approved by the members in January 1998 and by the Charity Commission in September 1998.

The Registered Office address and the names of the Trustees and Advisers are set out on the index page.

In accordance with the Articles of Association, Mr S Sargent and Mr R Kirkman retire by rotation.

## **Trustee Induction and Training**

New Trustees are provided with information on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and the recent financial performance of the Charity.

## **The Aims and Objects of the Charity**

We take great pride in our longstanding aims which have changed very little since the organisation was formed in 1990.

### ***Aims***

- Lead and inform the continued development of plastics recycling and resource management.
- Be the UK's plastic value chain co-ordinators and the independent voice of reason.
- Educate the public and businesses on the recycling of plastics to protect the environment,

### ***Objectives***



- a) To advance the education of the public on the subject of recycling plastics so as to protect the environment
- b) To preserve and protect the physical and natural environment for the public benefit through the promotion of waste reduction and recycling of plastics

## **Organisation**

RECOUP is administered by its Trustees, who are elected by the members of the company, in accordance with the Memorandum and Articles of Association. These Trustees meet at least three times a year to formulate the policies of the company and to engage and instruct independent third parties to implement such policies on their behalf. The company itself does not directly employ people.

## **Reserves Policy**

Reserves are that part of a charity's unrestricted funds that are freely available to spend on any of the charity's purposes.

The trustees have established the level of reserves the Charity should have and agreed the following policy:

"The reserves are to be maintained at a level which ensures that RECOUP's basic core activity could continue in the short term during a period of unforeseen difficulty. On the basis of current expenditure, the Charity seek to maintain the general reserve, in the Uncommitted Funds, at a balance of £45,000 to £60,000 representing 6 months of operating costs to maintain the basic core work."

The actual reserves at 31<sup>st</sup> December 2020 were Uncommitted Funds £2,351 and Committed Funds £40,204. Although the Uncommitted Funds have increased slightly during 2020, COVID-19 restrictions meant that proposed Project Work had to be delayed. The new invoicing strategies agreed at the December 2019 meeting were put in place and this, coupled with increased Credit Control measures are showing effect. We anticipate the committed funds will be expended during the course of 2021. It is the Trustees view that it is prudent to ensure that there are sufficient reserves to provide financial flexibility in order to meet future obligations and we will continue to strive to replace the amount used in 2019.

## **Public Benefit**

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**(being a Company Limited by Guarantee)**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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In setting our objectives and planning our activities our Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. RECOUP use the support and resources made available from the Charity Commission as required, and attended the 2020 Charity Commission virtual annual meeting.

A number of member company employees act as Trustees of RECOUP or Advisors to the Board. We are very grateful for the time and commitment provided and acknowledge with thanks the fact that no charge is made for their time and services.

Since inception in 1990, RECOUP have been involved in projects and activities that have direct or indirect interaction with the public, to educate and promote on plastics recycling and wider positive environmental responsibility. This is a critical component of our activities with a dedicated programme of work.

Pledge2recycle has been developed as an initiative to deliver all RECOUP consumer engagement activities relating to plastics recycling. This provides consistent, evidence-based plastic resource and recycling messages and branding to citizens whether at home, at school, at work or on the go. The key aims are to remove confusion, increase recycling and reduce contamination.

Adam Frost continued as a RECOUP Patron during 2020.

"Consumers are challenged on a daily basis to make the right choices in terms of the environment and how we deal with plastics forms part of those decisions. It is important we all do our bit to ensure we put resources back into the system so that they can be used again."

*Adam Frost, RECOUP Patron*

Mike Barney continued in his role as RECOUP Chairman of the Board for a 28<sup>th</sup> year.

"It is time for change in plastic resource management, and that is what is happening. We encourage all stakeholders to join us to share the collective expertise and enthusiasm across RECOUP members and wider networks."

*Mike Barney, RECOUP Chairman*

### **Rising To The Challenge Of 2020**

There was a need for RECOUP to adapt to changing circumstances in 2020 while working towards the aims of the organisation, maintaining the level of service to members and stakeholders, and prioritising the welfare and safety of the team.

**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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The RECOUP team successfully transitioned to homeworking within a very short period with the use of Microsoft Teams and Zoom for internal and external meetings. Plans were agreed with the Board to review and prioritise workloads. The ongoing implications and uncertainty around the level and length of disruption caused by COVID-19 meant plans and processes needed to remain adaptable, flexible and closely monitored. The team continued to work from home or restricted office working with agreed safe working practices throughout the year. This included the introduction of safety procedures when in the office, and the changing of the office layout.

During 2020, additional projects and member requests further stretched the existing team resources which was subsequently expanded. No member of the team was furloughed, and RECOUP have not received any other financial support through the government.

The annual conference and member events were replaced with successful webinars, and digital platforms became a priority communication method. RECOUP conducted a survey with members to help develop a clearer understanding of not only the immediate, but also the longer-term impacts of COVID-19 on the UK's plastic supply, use and waste management sectors. This was supplemented by responses to the annual *RECOUP 2020 UK Household Plastics Collection* Survey and European information from EPRO. The resulting COVID-19 impacts report was issued to all members.

## **A Critical Role For RECOUP**

RECOUP deliver a range of activities related to the sustainable development of plastics recycling and resource efficiency such as demonstration projects, research, consumer engagement and stakeholder advice and collaboration. This includes working with UK and EU stakeholder groups; responding to government consultations; research and information sharing; bespoke member activities; attending and speaking at conferences and exhibitions; packaging reviews; and many other activities.

Support and co-operation through membership is the life blood of RECOUP. We recognise the vital support from both long-standing and new members in 2020 during which time we welcomed net growth in membership for the tenth consecutive year. With strong backing, RECOUP promote increased supply and recycling chain collaboration, encourage impartial and practical debate, deliver unbiased reports and research, and advocate sensible actions to secure a bright future for plastic and plastic recycling. We will continue to be the plastic value chain co-ordinators and the voice of reason. Outside of the politics and opinions, RECOUP ensure that all work undertaken is completed independently and with integrity.

Membership and support continue to grow and diversify alongside wider recognition of, and engagement with RECOUP initiatives. We remain focussed on maintaining the impartiality and position of the organisation while delivering the aims and objectives of RECOUP.

To enable the workloads and priorities to be managed and delivered effectively, all RECOUP activities in 2020 contributed to delivering the aims of the organisation under three key areas including Education and Engagement, Projects and Research, and Strategy and Policy.

This ensured that time and resources were allocated as effectively as possible in agreement with the RECOUP Board. This replaced the previous eight programmes of work which provided the work structure over the previous two years.

Politicians, consumers, media and businesses are all demanding change and RECOUP is central to delivering that change. To achieve the reality of a responsible plastic future, longer term policy frameworks continued to be developed in 2020. RECOUP have participated in many meetings, conferences, consultations and forums including the DEFRA Resources and Waste Strategy Stakeholder Forum. But with the anticipated implementation date of 2024 onwards for new extended producer responsibility systems, it is equally important to ensure the voluntary short-term measures are effective and commitments are backed up by real actions.

## **Review of Principal Activities**

RECOUP is a not-for-profit organisation and registered charity. We are built on a network of members and stakeholders who represent all sectors of the plastics supply and recovery chain – including polymer producers, convertors, packer fillers, brands, retailers, local authorities, waste management companies and plastics reproducers. RECOUP also have affiliations with a number of corporate trade bodies, academic groups and NGOs. The depth and scope of our network gives us a valuable insight and access to the complete plastic supply and recycling chain.

There are a number of Board and member working groups set up to cover detailed discussions on specific topics and provide recommendations back to the RECOUP team and Board where appropriate.

With an unprecedented level of corporate and consumer interest in plastics, packaging, resources and recycling, RECOUP will continue to lead the way. A summary of some of the key activities and workstreams in 2020 are detailed below.

### ***Member and Stakeholder engagement***

This covers many activities where RECOUP engages with members and stakeholders. It includes the website, conferences, webinars, exhibitions, presentations, branding, brochures, member support, administration, member development, enquiries, media and PR. Regular updates are circulated to members, along with any key reports and information. The volume of enquiries continued to be high through 2020 from both from members and non-members.

RECOUP published information throughout the year including data, reports and slides which are used by various organisations and media outlets. The RECOUP website received a 22% increase in visits during 2020. Social media engagement was extended on Twitter and LinkedIn.

RECOUP represents the UK at the European Plastics Recycling Organisations platform (EPRO). It provided information, events and networking in 2020 which continued to be very beneficial to RECOUP in delivering our work and helping members. In addition, we continued positive relationships with other European platforms including Plastics Europe, Plastic Recyclers Europe and PETCORE Europe.

A set of RECOUP webinars replaced face to face seminars, member meetings and our annual conference, and were made free and available to all. They attracted over 2500 delegates and topics covered included rigid plastics, films, horticulture and gardening, global perspectives, re-use and refill, farming and collections.

### ***Recyclability Guidance and Certification***

Support to assess and improve plastic packaging recyclability is one of the most popular programmes of work for RECOUP. We continued to promote knowledge and understanding of packaging recyclability and assess innovations and developments both in the manufacturing and recycling sectors.

Our recyclability by design document is recognised by industry and has a positive reputation worldwide. The two supplementary documents produced with the UK Plastics Pact and the British Plastics Federation continue to be well used. We updated and promoted this guidance in 2020 together with case studies from different sectors to highlight good practice, and also some common issues for recyclability and the solutions that could be adopted. Guidance on plastic films was aligned with Recyclclass, a Plastic Recyclers Europe initiative to promote and certificate recyclability in a consistent way across Europe.

Due to ongoing requests for RECOUP to certificate recyclability, we formalised arrangements with the Recyclclass recyclability certification scheme to be the UK Recyclclass auditor. We also joined relevant BSI discussions during the year covering various environmental considerations and prevention of plastic leakage.

Despite restricted opportunities in 2020, we supplemented our desk-based recyclability reviews with practical testing at partner sorting and reprocessing sites when required. We also continued as guarantors of OPRL (the On-Pack Recycling Label scheme) and confirmed an agreement to provide OPRL members with technical support on recyclability.

The RECOUP report on black plastics recycling was updated, and further work was completed on the recycling of small plastic packaging items.

### ***Infrastructure - Collection, Sorting and Reprocessing***

The UK Household Plastics Collection Survey is a research-based report which is extensively referenced throughout the year. It includes data and insight around plastic collection services; collection quantities and performance; plastic and food waste collections; litter and disposal 'Away from Home'; consumer communications and behaviour change; recycled plastic markets; plastic waste crime; and the political and regulatory environment.

RECOUP has undertaken an analysis of Household Waste Recycling Centres (HWRCs) in England, seeking to investigate the flow of hard plastics, often those which cannot be disposed of at kerbside, their tonnages and whether or not these are a feasible material in terms of recyclability.

In 2020 RECOUP continued with independent research and activities to consider the most viable approaches for DRS in the UK. This included assessing robustness of data, impacts on current systems and potential



implications. Members were provided with regular updates and we attended various events and meetings plus the continuation of a working group. The opportunities to use digital solutions alongside DRS was also developed.

RECOUP's ongoing research into infrastructure for plastics recycling resulted in an update to the UK Plastic Packaging Sorting & Reprocessing Infrastructure Report. The report addressed the current status of the infrastructure in the UK and its capacity to sort and reprocess household plastic packaging with an update to available and planned MRFs, PRFs and reprocessors. It also considered the need to improve and increase infrastructure to handle the additional quantities for recycled content target requirements and to manage the potential impacts of export market restrictions.

The need to increase household film recycling has been accelerated in recent years. RECOUP has increased its activities around plastic film recycling. It has included representation on the DEFRA/WRAP Film Recycling Sprint Group, being part of the EPPIC Collection and Recycling Working Groups, supporting trials for both front of store and kerbside systems, and delivery of webinar presentations. This work has included consumer communication and engagement, analysis of the composition of materials to assess scheme performance and researching end markets.

The UK's Waste Compliance Taskforce (WACT) officially launched in 2020, comprising of a number of organisations from across the public and private sector. The aim is to raise awareness of waste crime and help businesses and organisations to be compliant. Working groups were set up, including an export waste crime working group focusing on plastics led by RECOUP.

### ***Engagement, Education and Behaviour Change***

Another important aspect of our work is the engagement, education and behaviour change of stakeholders including consumers and businesses. Pledge2recycle plastics is the branding used to deliver all RECOUP consumer engagement activities. Since its original launch in 2014 the mission has been to promote consistency, remove confusion and increase plastics collected for recycling through education, communication and mobilisation.

The Pledge2Recycle Plastics resource pack for "Plastics Recycling - Cutting the Confusion" campaigns are available to local authorities and businesses to download for free which all link to an active website and twitter account. The Pledge2Recycle Plastics resources continued to be updated with additional images and social media content. The pack is aligned with Recycle Now.

The Pledge2Recycle Plastics Working Group continued to meet in 2020 and the campaign messages continued to resonate. Digital campaigns were prioritised as face-to-face engagement was restricted. This included a well received 'stop it don't drop it' campaign focused on the increased littering as lockdown periods ended, including the littering of single use protective masks

and gloves. Previous 'Watch Me Think' plastic recycling consumer research also continued to attract interest in 2020.

A new targeted newsletter was developed for Local Authorities to increase collaboration in terms of plastics recycling messaging and take-up of the Pledge2Recycle Plastics resources. A survey was undertaken to gain new consumer insights and perspectives with all UK Local Authorities asked for support.

RECOUP take every opportunity to showcase recycled plastic products to businesses and consumers. A publicly available database of reproprocessors and end product manufacturers is kept updated and held on the RECOUP website. We have also continued to track industry and company commitments linked to recycled content and wider sustainability.

### ***Sponsored Projects***

RECOUP delivered a range of sponsored projects for individual members and clients in 2020. This included audit reports on plastic recycling, end market overviews, public place recycling initiatives, schools plastic recycling education initiatives, material assessments, scheme performance reviews, infrastructure and business case support, Life Cycle Assessment critical reviews and funding applications.

### **Financial Position and Outlook**

The figures for 2020 still reflect prudent financial management during the year with careful monitoring of central costs and the successful generation of new income streams.

The Trustees have a reasonable expectation that the Charity has adequate resources to meet its liabilities for the foreseeable future. However due to organisations taking longer to pay membership fees, new strategies have been put in place along with increased credit control measures. The Restricted Funds, which are £14,100 higher, are detailed on Page 21 and we would normally expect projects to be completed within the year the money is provided. Unrestricted Funds have increased over the year by £1,343. We are confident that the business is financially sound and able to sustain its progress during the forthcoming year and for this reason have continued to adopt the going concern basis in preparing the financial statements.

The Board would like to thank all Members, Associates and Team who have supported and delivered the work of RECOUP over the past twelve months. As in previous years, the majority of funding received for our work has been from Membership Contributions and Conference sponsorship as listed in the

Statement of Financial Activities on Page 13. This has been used to deliver the Programmes of Work agreed by the Trustees.

With the necessity for today's businesses, consumers and governments to take much greater environmental responsibility, more ambitious proposals and strategies around resources and recycling should not be a surprise to anyone. It is time for change in plastic resource management, and that is what is happening. But it also needs to be done at a pace which satisfies the current political, media and consumer pressure and ultimately protects the environment. There is an unprecedented level of corporate and consumer interest in plastics, packaging, resources and recycling. RECOUP will continue to lead and collaborate as the UK's plastic value chain co-ordinators.

Bringing together the knowledge and information for members of RECOUP, and the Team itself helps ensure plastic recycling programmes and projects are as effective as possible under the stewardship of RECOUP. By working in collaboration with the entire supply and recycling chain, many of the challenges can and will be overcome. Plastic has the potential to be a truly sustainable and circular resource, and improved re-use and recycling will have a crucial role to play.

Plastic is an essential material which is used for so many applications that we rely on in everyday life, often without giving it a second thought. It is these wide-ranging applications and unique characteristics that have also created some barriers to finding practical and cost-effective recycling solutions. The priority is for all plastic to be controlled at end of life to avoid any leakage into the environment, and then re-use and recycle as much as possible to embrace circular thinking. More can be done by the plastic supply and recycling chain to show a co-ordinated and pro-active industry who are working beyond their legal obligations to really address environmental issues and improve plastic resource use. This is critically important while extended responsibility discussions continue, which will ensure environmental considerations are a requirement for all.

But the potential for real growth and evolution in all parts of the plastic recycling chain remains. There is a genuine confidence that we can and will collectively step up to this challenge. This includes the necessary increase in engagement and education activities to ensure that the plastic recycling and anti-litter messages are understood and actioned by all.

With strong support from Cross-Sector Members RECOUP promote increased supply and recycling chain collaboration, encourage impartial and practical debate, deliver unbiased reports and research, and advocate sensible actions to secure a bright future for plastic and plastic recycling.

## **COVID-19**

We continue to monitor the situation and while the outlook is still very far from certain, steps are being taken in the UK to try to restore some form of normality and confidence.

### **Internal Control and Risk Management**

The Trustees continue to monitor the major risks to which the charitable company is exposed and to keep under review the adequacy of the systems, which they believe are adequate and appropriate to the size of the Charity and the nature of its operations. The major risk to the Charity is a loss of membership income which would lead to inadequate resources to deliver projects and also could lead to a decrease in cross-sector representation.

RECOUP is ISO9001 accredited. Streets Chartered Accountants carried out an Independent Examination during the year. The process has consistently proceeded smoothly and provides confidence in the effectiveness of RECOUP's internal controls.

### **Investment Policies**

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the Trustees see fit.

### **Trustees' Responsibilities**

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure for that period. In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS102) have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

# **RECYCLING OF USED PLASTICS LIMITED**

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**(being a Company Limited by Guarantee)**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and 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 2006. 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.

### **Independent Examiners**

Streets are willing to provide Independent Examination services and a resolution to reappoint them will be proposed at the Annual General Meeting.

Signed on behalf of the Board

MG

Maureen Goodyear  
Secretary

Date: 06/07/2021

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## **REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2020 which are set out on page 13 onwards.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 43 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

### **RESPONSIBILITIES AND BASIS OF REPORT**

As the Trustees of the Charity (and its Directors for the purpose of Company Law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Charity are not required to be audited under Part 4 of the 2006 Act and are eligible for Independent Examination, I report in respect of my examination of the Charity's Accounts carried out under Section 145 of the Charities Act 2011 ("the 2011 Act") in carrying out my examination I Have followed the Directions given by the Charity Commission under Section 145(5)(b) of the 2011 Act.

### **INDEPENDENT EXAMINER'S STATEMENT**

I have completed my examination; I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe

- 1 Accounting records were not kept in respect of the Charity as required by Section 386 of the 2006 Act, or
- 2 The accounts do not accord with those records, or
- 3 The accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an Independent Examination; or
- 4 The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by Charities [applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)]



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## **REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the Accounts to be reached.

Dated: 18/08/2021

Signed:

JD  
JONATHAN DAY BA (Hons) ACA  
For and on behalf of STREETS Chartered  
Accountants  
Enterprise House, 38 Tyndall Court  
Commerce Road, Lynch Wood  
Peterborough. PE2 6LR

# RECYCLING OF USED PLASTICS LIMITED

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## STATEMENT OF FINANCIAL ACTIVITIES

AS AT 31 DECEMBER 2020

Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>INCOME AND ENDOWMENTS FROM:</b>				
<b>Incoming resources from generated funds:</b>				
<b>Donations and legacies:</b>				
Membership contributions	464,863	-	464,863	327,064
Sponsorship for restricted purposes	3,644	42,300	45,944	106,682
<b>Income from investments</b>	63	-	63	806
<b>Income from Charitable activities:</b>				
Projects for charitable objectives	27,355	-	27,355	36,852
<b>TOTAL INCOME AND ENDOWMENTS</b>	<b>495,925</b>	<b>42,300</b>	<b>538,225</b>	<b>471,404</b>
<b>EXPENDITURE ON:</b>				
<b>Expenditure on Raising Funds</b>				
Membership fundraising costs	24,768	-	24,768	45,720
<b>Total costs of raising funds</b>	<b>24,768</b>	<b>-</b>	<b>24,768</b>	<b>45,720</b>
<b>TOTAL INCOME AVAILABLE FOR CHARITABLE APPLICATION</b>	<b>471,157</b>	<b>42,300</b>	<b>513,457</b>	<b>425,684</b>
<b>Expenditure on Charitable activities:</b>				
Project fees, promotion, education and facilitation of plastics recycling, and governance costs	469,814	28,200	498,014	506,893
<b>4/5</b>				
<b>Total expenditure</b>	<b>494,582</b>	<b>28,200</b>	<b>498,014</b>	<b>552,613</b>
<b>TOTAL RESOURCES EXPENDED</b>	<b>494,582</b>	<b>28,200</b>	<b>522,782</b>	<b>552,613</b>
<b>NET MOVEMENT IN FUNDS</b>	<b>1,343</b>	<b>14,100</b>	<b>15,443</b>	<b>(81,209)</b>
<b>NET INCOME (OUTGOING) RESOURCES</b>				
Fund balances brought forward at 1 January 2020	1,008	26,104	27,112	108,321
<b>Fund balances carried forward at 31 December 2020</b>	<b>2,351</b>	<b>40,204</b>	<b>42,555</b>	<b>27,112</b>
<b>10/11</b>				

Note:  
INCOME

# **RECYCLING OF USED PLASTICS LIMITED**

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**(being a Company Limited by Guarantee)**

## **STATEMENT OF FINANCIAL ACTIVITIES**

### **AS AT 31 DECEMBER 2020**

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The Sponsorship for Restricted Purposes of £3,644 was received for the Conference which was held in virtually in September 2020 comprising of several well attended seminars.

The amount of £42,300 is detailed on Page 21 under the Restricted Funds.

#### **EXPENDITURE**

The expenditure on raising funds includes attendance at numerous virtual events and meetings to promote the work of RECOUP and increase membership and project work.

**RECYCLING OF USED PLASTICS LIMITED**

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**(being a Company Limited by Guarantee)****CHARITY INCOME AND EXPENDITURE and BALANCE SHEET****AS AT 31 DECEMBER 2020****INCOME AND EXPENDITURE**

	<b>Charity</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>INCOME</b>		
Membership	464,863	327,064
Project work	27,355	36,852
Conference	3,644	24,550
Bank Interest	64	806
	<u>495,926</u>	<u>389,272</u>
<b>LESS EXPENSES</b>		
<b>Direct Charity</b>		
Events, meetings and exhibitions	2,705	4,394
Core Operations Management	12,600	12,600
EPRO	4,493	4,494
Conference and AGM	157	22,018
Print, promotion and website	4,813	2,215
<b>Direct Charity Projects</b>		
Core Operations Management	422,408	341,584
<b>Management and Administration</b>	467	648
Bank Charges	1,750	1,850
Accountancy Fees	21,000	21,000
Core Operations Management	23,857	26,141
Core Operations Expenses	-	1,875
Chairman's Expenses	333	1,388
Insurance		
	<u>494,583</u>	<u>440,207</u>
<b>INCOME LESS EXPENDITURE</b>	1,343	(50,935)
<b>SURPLUS OR (DEFICIT) FOR YEAR</b>	<u>1,343</u>	<u>(50,935)</u>

**RECYCLING OF USED PLASTICS LIMITED**

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**(being a Company Limited by Guarantee)****CHARITY INCOME AND EXPENDITURE and BALANCE SHEET****AS AT 31 DECEMBER 2020****BALANCE SHEET**

	<b>Note s</b>	<b>Charity</b>	
		<b>2020 £</b>	<b>2019 £</b>
<b>FIXED ASSETS</b>			
Tangible assets	<b>7</b>	22	22
Fixed asset investment	<b>2</b>	1	1
<b>CURRENT ASSETS</b>			
Debtors	<b>8</b>	97,146	125,224
Prepayments		805	801
Cash at bank and in hand		92,352	55,932
		190,303	181,957
<b>CREDITORS: Amounts falling due within one year</b>	<b>9</b>	147,770	154,868
<b>NET CURRENT ASSETS</b>		42,533	27,089
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		42,556	27,112
<b>NET ASSETS</b>		42,556	27,112
<b>FUNDS</b>			
Unrestricted funds	<b>10</b>	2,351	1,008
Restricted funds	<b>11</b>	40,204	26,104
		42,555	27,112

For the year ending 31 December 2020 the company was entitled to exemption from audit under 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- ☐ The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- ☐ The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board on 06/07/21 and signed on its behalf by:

MB

JA

# **RECYCLING OF USED PLASTICS LIMITED**

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**(being a Company Limited by Guarantee)**

## **CHARITY INCOME AND EXPENDITURE and BALANCE SHEET**

**AS AT 31 DECEMBER 2020**

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**M Barney**  
Trustee

**J Armstrong**  
Trustee

### **1 ACCOUNTING POLICIES**

#### **Basis of Preparing the Financial Statements**

Recycling Of Used Plastics Limited, otherwise known as RECOUP, is a Registered Charity, number 1072029, and a Company, registered in England and Wales, number 2435729. Its governing documents are its Memorandum and Articles of Association, approved by the members in January 1998 and by the Charity Commission in September 1998.

The financial statements of the charitable company, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements have been prepared on the historic cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

None of the company's activities were acquired or discontinued during the current or previous financial years.

The company has not recognised gains or losses other than those disclosed in the Statement of Financial Activities.

#### **Going Concern**

As noted in the Trustees Report, the UK has experienced a pandemic of the coronavirus. The potential effects to the charity and its future prospects cannot be fully quantified but the trustees remain committed to the protection of the organisation and the situation is being regularly reviewed by the trustees. Accordingly, the financial statements have been prepared on a going concern basis.

#### **Judgements and Key Sources of Estimation**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Significant judgements**



# **RECYCLING OF USED PLASTICS LIMITED**

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**(being a Company Limited by Guarantee)**

## **CHARITY INCOME AND EXPENDITURE and BALANCE SHEET**

**AS AT 31 DECEMBER 2020**

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There are no judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have a significant effect on the amounts recognised in the financial statements.

### **Key sources of estimation uncertainty**

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. There are no key assumptions or other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### **Financial Instruments**

Basic financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments.

### **Financial Reporting Standard 102 - reduced disclosure exemptions**

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- The requirements of Section 7 Statement of Cash Flows

In the opinion of the Trustees the company qualifies as a small company and accordingly a cash flow statement is not required.

### **Incoming Resources**

Donations, voluntary contributions and sponsorship receivable are accounted for as soon as their amount and receipt are certain. In the case of voluntary contributions this is only when they are received. All other income is accounted for under the accruals concept. Gifts in kind are valued at their estimated value to the charity.

### **Resources Expended**

All expenses are accounted for on an accruals basis. Direct charitable expenditure includes third party costs in respect of quality control, management of collection activities, together with a corresponding apportionment of central overhead costs.

### **Income from Investments**

# **RECYCLING OF USED PLASTICS LIMITED**

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**(being a Company Limited by Guarantee)**

## **CHARITY INCOME AND EXPENDITURE and BALANCE SHEET**

**AS AT 31 DECEMBER 2020**

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Investment income comprises interest receivable on listed and unlisted investments.

### **Tangible Fixed Assets**

Tangible fixed assets are stated at cost less depreciation, calculated at rates to write off the excess of cost over residual values of assets over their useful economic lives as follows.

### **Fund Accounts**

*Funds held by the charity are either:*

#### **Restricted Funds**

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

#### **Unrestricted Funds**

Unrestricted funds are funds which can be used in accordance with the charitable objects, at the Trustees' discretion.

## **2 RECOUP SERVICES LIMITED**

The charity owns the non-charitable trading subsidiary, Recoup Services Limited, which is incorporated in the UK. Its issued share capital of £1 is owned by the charity as part of its unrestricted funds and is held primarily for the purpose of furthering the charity's stated objects and not as an investment asset. The share is therefore shown at cost in the charity's balance sheet.

Recoup Services Limited became a dormant company at the end of 2012. It is intended that the company will remain in a dormant state to protect the RECOUP name.

## **3 RESOURCES EXPENDED**

The Chairman received £0 for costs incurred in relation to Board Meetings and representing RECOUP at various external events. There was no cost this year due to COVID-19.

All payments were made in accordance with agreed budgets, and at an "arms-length" commercial value.

No other Trustee has received any remuneration or benefits for year, directly or indirectly, from the charity's funds. The charity does not directly employ

# RECYCLING OF USED PLASTICS LIMITED

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(being a Company Limited by Guarantee)

## CHARITY INCOME AND EXPENDITURE and BALANCE SHEET

AS AT 31 DECEMBER 2020

staff, as its activities are organised by its Trustees, and then subcontracted to a variety of professional organisations to implement the stated policies.

### 4 CHARITABLE EXPENDITURE

The charity undertakes direct charitable activities only and does not make grant payments.

### 5 GOVERNANCE COSTS

	2020	2019
	£	£
Management fees and expenses (PPS Recovery Systems Ltd)	40,200	40,200
Professional fees	5,457	6,737
Independent Examination	1,750	1,850
	<u>47,407</u>	<u>48,787</u>

### 6 MOVEMENT IN TOTAL FUND FOR THE YEAR

	2020	2019
	£	£
This is stated after (crediting)/charging:		
Independent Examiner's remuneration	1,750	1,850
Income under Restricted Fund Projects	(42,300)	(82,132)
Expenditure under Restricted Income payments	28,200	112,406

### 7 TANGIBLE FIXED ASSETS

	Charity Plant and Machinery £	Charity Total £
<b>Cost or Valuation</b>		
Balance at 1 January 2020	219,338	219,338
Disposals	-	-
<b>Balance at 31 December</b>	<u>219,338</u>	<u>219,338</u>

# RECYCLING OF USED PLASTICS LIMITED

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(being a Company Limited by Guarantee)

## CHARITY INCOME AND EXPENDITURE and BALANCE SHEET

AS AT 31 DECEMBER 2020

<b>2020</b>	<u>8</u>	
Balance at 1 January 2020	219,316	219,316
On disposals		
<b>Balance at 31 December 2020</b>	<u>219,316</u>	<u>219,316</u>
		<u>6</u>
<b>Net Book Value at 31 December 2020</b>	22	2
		<u>2</u>
Net Book Value at 31 <sup>st</sup> December 2019	22	22

All fixed assets held by the company are used for direct charitable purposes.

## 8 DEBTORS

	Charity 2020	2019
	£	£
Trade debtors	97,146	125,224
Prepayments	805	801
VAT	-	2,095
	<u>97,951</u>	<u>128,120</u>

## 9 CREDITORS: Amounts falling due within one year

	Charity 2020	2019
	£	£
Trade creditors	53,750	55,292
Other taxation and social security	15,210	-
Accruals and deferred income	78,810	101,670
	<u>147,770</u>	<u>156,962</u>

Deferred Income is in respect of Membership Fees invoiced in 2020 relating to 2021 Memberships.

# RECYCLING OF USED PLASTICS LIMITED

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(being a Company Limited by Guarantee)

## CHARITY INCOME AND EXPENDITURE and BALANCE SHEET

AS AT 31 DECEMBER 2020

### 10 UNRESTRICTED FUNDS

	Balance at 1.01.20	Movement in Resources		Balance at 31.12.20
		Incomin g	Outgoing	
	£	£	£	£
General Fund	1,008	495,925	494,582	2,351

### 11 RESTRICTED FUNDS

	Balance at 1.01.20	Movement in Resources		Balance at 31.12.20
		Incoming	Outgoing	
	£	£	£	£
<b>Restricted Schemes</b>				
E P S Project	10,000	-	7,500	2,500
MARS	3,104	-	-	3,104
Nestle Waters	10,000	-	10,000	-
Danone	-	22,300	7,700	14,600
Pledge2recycle	3,000	-	3,000	-
Kent UP Project	-	20,000	-	20,000
	26,104	42,300	28,200	40,204

Recoup gratefully acknowledges the support of the following organisations providing restricted project funding and grants:

**Danone:** Project testing recyclability of products at a UK facility.

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## **CHARITY INCOME AND EXPENDITURE and BALANCE SHEET**

**AS AT 31 DECEMBER 2020**

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**Kent UP Project:** A consortium project managed by RECOUP looking at plastics.

### **12 GUARANTEES AND OTHER FINANCIAL COMMITMENTS**

- a)** There are no contingent liabilities at the year-end.
- b)** At 31 December 2020 the company had no annual commitments under leases.

### **13 RELATED PARTIES**

The company is controlled by its Board of Trustees, none of whom has the power to direct policy in isolation. Aggregate voluntary contributions from member companies who supplied Trustees for the Board were £76,083 (2019: £81,763). No individual contribution made exceeded 10% of the total contributions made. The company paid £499,400 (2019: £477,306) to PPS Recovery Systems Limited, a company which Stuart Foster has an interest in. These payments were in accordance with agreed budgets. The balance due to PPS Recovery Systems Limited as at 31 December 2020 was £52,880 (2019: £41,000). No payments were made to MBA, a partnership that Mike Barney has an interest in, this year total £0 (2019: £1,875). These payments were in accordance with agreed budgets. All transactions were agreed by the Board of Trustees and were at an arms-length rate.

### **14 POST BALANCE SHEET EVENTS**

There are no post balance sheet events that materially affect these accounts.