

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 2021



RECOUP CORPORATE MEMBERS

 3R TECHNOLOGY REUSE REDUCE RECYCLE	 AEROPLAS	 alpek [®] polyester	 ASDA
 AURA-SOMA [®] BEYOND COLOUR	 AVERY DENNISON	 Beiersdorf	 beko plc
 BERICAP U.K.	 Berry bpi	 Berry	 bright green
 Bryson Recycling	 CCL	 CHARPAK LTD	 CLEAN TECH <small>A PLASTIPAK COMPANY</small>
 Coca-Cola EUROPEAN PARTNERS	 Cofresco [®]	 COOP	 COVERIS [™] <small>HIGH PERFORMANCE PACKAGING</small>
 CryptoCycle [™]	 DANONE	 DART <small>DART PRODUCTS EUROPE</small>	 DuPont Teijin Films
 ecoSURETY <small>Passionately protecting your environment</small>	 ecovibe	 Emmi	 enval
 envipco	 enviro [®]	 EVERGREEN Garden Care	 Faerch
 FCC Environment	 FRONERI	 Garçon Wines	 gsk
 Green Lizard Technologies	 greenredeem <small>changing behaviours</small>	 greyparrot	 GS1 UK
 Gualapack	 HAIN DANIELS GROUP	 HILTON Food Group	 iPAC packaging innovations
 JDE <small>JACQUES DUBOIS ENTERPRISES</small>	 kp Food & Consumer Products	 KREHALON <small>Preserving Quality Together</small>	 LAVAZZA PROFESSIONAL

RECOUP CORPORATE MEMBERS

		 EST. 1884	
			
	 Good Food, Good Life		
			
	 PAPER METTLER PAPER AND PLASTIC PACKAGING		
	 made by and for people against dirty.		
			
			
	 WORKING FOR THE FUTURE		
	 Ne Plus Ultra		
	 EXPERTISE & INNOVATION	 Engineering at its best	
			

RECOUP CORPORATE MEMBERS

		 <small>A division of Vink UK Ltd</small>	
 <small>a Reconomy Group company</small>			 <small>A NOVOLIX BRAND</small>
			

RECOUP ASSOCIATE AND AFFILIATE MEMBERS

			
			
			
			
			
			
			
			
			
			
			
			
		Smart Sustainable Plastic Packaging Challenge	

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

CHAIRMAN

Mr M Barney (retired 23rd March 2021)
Mr J Armstrong (from 23rd March 2021)

TRUSTEES

Mrs L Edwards, Robinson Packaging
Mr J Armstrong, Kermadec
Mr I Burman, Laytons Solicitors
Mr S Stanfield, EcoProcure (retired 23/03/21)
Mr K Trower, Viridor Resource Management
Ltd (retired 23/03/21)
Mr S Hayward-Higham, Suez
Mr I Ferguson, Co-op/Independent
Mr M Baxter, BPI RPC
Mrs H Lloyd House, Nestle
Mrs A Sutton, Dart
Mr S Walsh, Tomra
Mr D Cheke, Veolia (appointed 23/4/21)

HONORARY TRUSTEE

Mr M Barney

**CHIEF EXECUTIVE
OFFICER**

Mr S Foster

ADVISERS

Mr A Hawkes, Valpak Limited
Mr A Whyle, PlasticsEurope
Mr G Staines, Independent
Mr D Jones, NAWDO
Mr J Coates, LARAC
Mr B Turner, BPF
Ms L Fernandez, Ocado
Mr C Jordan, Indorama
Mr J Baker, Alpek

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

INDEX TO FINANCIAL STATEMENTS

Page No.

1-11	Report of the Trustees
12-13	Report of the Independent Examiner
14	Statement of Financial Activities
15	Income and Expenditure
16	Balance Sheet
17-23	Notes to the Financial Statements

RECYCLING OF USED PLASTICS LIMITED

Page 1

(being a Company Limited by Guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021. 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 2021

With strong governance through the RECOUP Board and management team, ongoing commitment from the team and sustained support from members and sponsors, RECOUP has not only been resilient but has continued to grow.

There was an ongoing need for RECOUP to adapt to changing circumstances in 2021 while working towards the aims of the organisation, maintaining and extending the level of service to members and stakeholders, and prioritising the welfare and safety of both the team and customers. Working practices were amended in line with government guidance throughout the year with a regular review of risks and opportunities.

Following the trend over the last decade, the level of interest in RECOUP, membership and sponsorship showed stable but continued growth. This resulted in a net increase in membership and an extension to the team resources for the second year running to deliver increased levels of core and project work. Some planned project activities were delivered, but others 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 work to ISO 9001 requirements.

RECOUP continues to be very active across the whole of the plastics recycling value chain leading on plastic resource efficiency and recycling. The organisation collaborates with different stakeholders, trade bodies and groups on initiatives with related aims and ambitions. International engagement also remains strong with so many of the opportunities and challenges shared across Europe and beyond.

We are therefore pleased to report that RECOUP are in a positive position at the end of 2021 with an encouraging future outlook as set out in this report

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 Stanfield and Mr K Trower retire by rotation. Neither are seeking reelection.

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

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

Governance

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.

After 28 years as Chair of the organisation, Mike Barney retired from his position and accepted a role as Honorary Trustee on the Board. Since taking the role of Chairman in 1992, Mike has been a great advocate of reducing plastic impacts on the environment and increasing recycling.

RECYCLING OF USED PLASTICS LIMITED

Page 3

(being a Company Limited by Guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The Board and staff past and present thank Mike for his service to the organisation.

He has been succeeded by Jim Armstrong who has been a RECOUP Trustee for more than 25 years, and has spent his career in plastic resources and recycling. Glyn Staines, who had been a Trustee with Recoup for over three years, now an Adviser, who also had a successful career in packaging and plastics roles has become the Vice-Chair. The Trustees have now also introduced a policy so the Chair and Vice Chair of the Board roles will be formally reviewed no less than every three years.

“It has been an honour and a pleasure to work with a team that are held in such high regard in the plastic resources and recycling sector. I know that the organisation will continue to go from strength to strength as sustainability issues reign so high in the legislative and environmental agendas.”

Mike Barney, RECOUP Chairman 1992 - 2021

“I am delighted to be elected chair of RECOUP, whose expertise and teamwork approach have made it one of the most respected advisors on plastic recycling. We are now more relevant than ever given the challenge of increasing targets for collection, coupled with the urgent need for additional UK processing capacity.”

Jim Armstrong, RECOUP Chairman 2021 -

“RECOUP is more relevant than ever as we look to preserve resources and minimise our carbon impact to protect the future

for our children.”

Glyn Staines, RECOUP Vice Chairman 2021 -

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 31st December 2021 were Uncommitted Funds £20,244 and Committed Funds £218,764. The Uncommitted Funds have increased during 2021 although COVID-19 restrictions meant that proposed Project Work had to be delayed. We anticipate the committed funds will again be expended during the course of 2022. 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

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 2021 Charity Commission virtual annual meeting.

Since 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 2021.

“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

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. This includes working collaboratively with UK and international stakeholder groups; responding to government consultations; research and information sharing; bespoke member activities; attending and speaking at conferences and exhibitions; and many other activities.

Support and collaboration through membership is the life blood of RECOUP. We recognise the vital support from both long-standing and new members in 2021 during which time we welcomed net growth in membership. With strong backing, RECOUP promote increased supply and recycling chain engagement, 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 resource efficiency and recycling 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 continued 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 2021 contributed to delivering the aims of the organisation, and fall under three key areas : -

- ☐ Education and Engagement
- ☐ Projects and Research

□ Policy and Strategy

This ensured that time and resources were allocated as effectively as possible in agreement with the RECOUP Board.

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 reproprocessors. 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 2021 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. RECOUP published information throughout the year including data, reports and slides which were used by various organisations and media outlets.

RECOUP represents the UK at the European Plastics Recycling Organisations platform (EPRO). It provided information, events and networking in 2021 which continued to be beneficial to RECOUP in delivering our work and helping members. In addition, we continued positive relationships with other European and Global platforms including Plastics Europe, Plastic Recyclers Europe, PETCORE Europe and the Polyolefin Circular Economy Platform (PCEP).

A set of RECOUP webinars were delivered together with our annual conference. They collectively attracted over 2000 delegates and topics covered included consumer engagement, collection data, end markets, films recycling, and circularity in complex sectors. The annual conference returned as a successful hybrid event in 2021.

RECOUP had exhibition stands at RWM, Letsrecycle live and CIWM events during 2021. We were also represented at the British Plastic Federation annual dinner and the Plastic Industry Awards as sponsors of the best recycled plastic product award.

RECOUP are represented on many external platforms and project groups working on related plastic projects. We also sit on a number of relevant British Standards Institute groups and panels.

Policy and Strategy

During 2021 there have been a number of important policy consultations and developments. Significant time is dedicated to reviewing and responding to relevant government consultations which includes both UK and devolved nations policies. Importantly there has been more collaborative working than ever before between governments, stakeholder groups and trade bodies to guide policy developments. RECOUP are also part of the DEFRA Resources and Waste Stakeholder Advisory Group.

Some of the key consultations in 2021 included plastic tax, extended producer responsibility, consistency, deposit return schemes, single use plastics, EFRA Committee Inquiry into Plastic Waste, and Competition Markets Authority environmental claims.

As a key element of producer responsibility, time was spent on the options for eco modulation of packaging. This incorporated reviews of international eco-modulation reports and systems, and assessment of approaches that are best for the UK.

RECOUP also spent time developing recycled content verification system research, the integration of chemical recycling into policy, and supported the British Plastic Federation plastic recycling roadmap report.

Recyclability Guidance and Certification

Support to assess and improve plastic packaging recyclability remains 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 and case studies are recognised by industry and has a positive reputation worldwide. New case studies included the DIY sector, food on the go, and beauty and personal care. The two supplementary documents produced with the UK Plastics Pact and the British Plastics Federation continue to be well used.

Despite restricted opportunities in 2021, we supplemented our desk-based recyclability reviews with practical testing with partner sorting and reprocessing sites when required. We also continued as guarantors of OPRL (the On-Pack Recycling Label scheme), and work as UK recyclability auditors for the European Recyclclass platform.

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.

Films and flexibles recycling opportunities are being developed with involvement in various groups and platforms to develop both the front of store and kerbside film recycling opportunities. Research into infrastructure for plastics recycling continued in 2021 with an extended report due for publication in 2022. Work also continued on both deposit return schemes and digital DRS opportunities.

Another key area of development is compostable plastics. RECOUP have engaged with key companies and stakeholders in this space, and produced a reference summary to help understanding of the potential role of these materials, and considerations for circularity and recycling. A compostable plastics project supported by the Smart Sustainable Plastics Packaging (SSPP) Fund will further research these opportunities.

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.

A collaborative programme of activities was started in Kent during 2021 to assess best approaches to communicating the recycling message at scale. This was supported by the Smart Sustainable Plastic Packaging (SSPP) Fund.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

We are also part of a consortium to look at the use of RFID technology to trade reusable food grade plastic packaging with the SSPP.

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.

Linked to this is the prevention of littering and RECOUP have worked with a number of groups including Thames 21, the Waste Compliance Taskforce and the East of England Plastics Coalition to understand and influence the impacts of both consumer littering and waste crime activities.

Sponsored Projects

RECOUP delivered a range of sponsored projects for individual members and clients in 2021. This included material analysis and audit reports on plastic recycling, recyclability testing, end market overviews, public place recycling initiatives, schools plastic recycling education initiatives, infrastructure and business case support, Life Cycle Assessment critical reviews and funding applications. A two year work programme also began on in-house lifecycle assessment and laboratory capability, films and flexibles research, and consumer engagement initiatives with the support of charitable funding.

Financial Position and Outlook

The figures for 2021 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 £178,560 higher, are detailed on Page 22 and we would normally expect projects to be completed within the year the money is provided. Unrestricted Funds have increased over the year by £17,893. 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 14. 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.

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.

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.

RECYCLING OF USED PLASTICS LIMITED

Page 12

(being a Company Limited by Guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

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: 25/8/2022

RECYCLING OF USED PLASTICS LIMITED

Page 13

(being a Company Limited by Guarantee)

REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021 which are set out on page 14 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)]

RECYCLING OF USED PLASTICS LIMITED

Page 14

(being a Company Limited by Guarantee)

REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

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: 29/08/22

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

Page 15

(being a Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

AS AT 31 DECEMBER 2021

Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
INCOME AND ENDOWMENTS FROM:				
Incoming resources from generated funds:				
Donations and legacies:				
Membership contributions	530,323	-	530,323	464,863
Sponsorship for restricted purposes	10,717	278,041	288,758	45,944
Income from investments	66	-	66	66
Income from Charitable activities:				
Projects for charitable objectives	25,938	-	25,938	27,355
TOTAL INCOME AND ENDOWMENTS	567,044	278,041	845,085	538,225
EXPENDITURE ON:				
Expenditure on Raising Funds				
Membership fundraising costs	39,239	-	39,239	24,768
Total costs of raising funds	39,239	-	39,239	24,768
TOTAL INCOME AVAILABLE FOR CHARITABLE APPLICATION	527,805	278,041	805,846	513,457
Expenditure on Charitable activities:				
Project fees, promotion, education and facilitation of plastics recycling, and governance costs	509,912	99,481	609,393	498,014
4/5				
Total expenditure	509,512	99,481	609,393	498,014
TOTAL RESOURCES EXPENDED	549,151	99,481	648,632	522,782
NET MOVEMENT IN FUNDS	17,893	178,560	196,453	15,443
NET INCOME (OUTGOING) RESOURCES				
Fund balances brought forward at 1 January 2021	2,351	40,204	42,555	27,112
Fund balances carried forward at 31 December 2021	20,244	218,764	239,008	42,555
10/11				
Note: INCOME				

RECYCLING OF USED PLASTICS LIMITED

Page 16

(being a Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

AS AT 31 DECEMBER 2021

The Sponsorship for Restricted Purposes of £10,717 was received for the Conference which was held in in September 2021 as a hybrid event. This was well attended both virtually and in person.

The amount of £278,041 is detailed on Page 22 under the Restricted Funds.

EXPENDITURE

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

RECYCLING OF USED PLASTICS LIMITED

Page 17

(being a Company Limited by Guarantee)**CHARITY INCOME AND EXPENDITURE and BALANCE SHEET****AS AT 31 DECEMBER 2021****INCOME AND EXPENDITURE**

	Charity	
	2021	2020
	£	£
INCOME		
Membership	530,323	464,863
Project work	25,938	27,355
Conference	10,717	3,644
Bank Interest	66	64
	<u>567,044</u>	<u>495,926</u>
LESS EXPENSES		
Direct Charity		
Events, meetings and exhibitions	0	2,705
Core Operations Management EPRO	12,600	12,600
Conference and AGM	4,354	4,493
Print, promotion and website	16,216	157
	4,318	4,813
Direct Charity Projects		
Core Operations Management	464,197	422,408
Management and Administration		
	435	467
Bank Charges	1,800	1,750
Accountancy Fees	21,000	21,000
Core Operations Management	18,500	23,857
Core Operations Expenses	4,809	-
Chairman's Expenses	921	333
Insurance		
	<u>549,150</u>	<u>494,583</u>
INCOME LESS EXPENDITURE	17,894	1,343
SURPLUS OR (DEFICIT) FOR YEAR	<u>17,894</u>	<u>1,343</u>

RECYCLING OF USED PLASTICS LIMITED

Page 18

(being a Company Limited by Guarantee)**CHARITY INCOME AND EXPENDITURE and BALANCE SHEET****AS AT 31 DECEMBER 2021****BALANCE SHEET**

	Note s	Charity	
		2021 £	2020 £
FIXED ASSETS			
Tangible assets	7	22	22
Fixed asset investment	2	1	1
CURRENT ASSETS			
Debtors	8	77,759	97,146
Prepayments		804	805
Cash at bank and in hand		314,128	92,352
		392,691	190,303
CREDITORS: Amounts falling due within one year	9	153,706	147,770
NET CURRENT ASSETS		238,985	42,533
TOTAL ASSETS LESS CURRENT LIABILITIES		239,008	42,556
NET ASSETS		239,008	42,556
FUNDS			
Unrestricted funds	10	20,244	2,351
Restricted funds	11	218,764	40,204
		239,008	42,555

For the year ending 31 December 2021 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 25/08/22 and signed on its behalf by:

JA

GS

RECYCLING OF USED PLASTICS LIMITED

Page 19

(being a Company Limited by Guarantee)

CHARITY INCOME AND EXPENDITURE and BALANCE SHEET

AS AT 31 DECEMBER 2021

J Armstrong
Chairman

G Staines
Vice-Chairman

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

Page 20

(being a Company Limited by Guarantee)

CHARITY INCOME AND EXPENDITURE and BALANCE SHEET

AS AT 31 DECEMBER 2021

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

Page 21

(being a Company Limited by Guarantee)

CHARITY INCOME AND EXPENDITURE and BALANCE SHEET

AS AT 31 DECEMBER 2021

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 £4,809 for costs incurred in relation to Board Meetings and representing RECOUP at various external events.

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

Page 22

(being a Company Limited by Guarantee)

CHARITY INCOME AND EXPENDITURE and BALANCE SHEET

AS AT 31 DECEMBER 2021

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

	21	20	20
	£	£	£
Management fees and expenses (PPS Recovery Systems Ltd)	39,500		40,200
Professional fees	1,356		5,457
Independent Examination	1,800		1,750
	<u>42,656</u>		<u>47,407</u>

6 MOVEMENT IN TOTAL FUND FOR THE YEAR

	1	202	20
	£	£	£
This is stated after (crediting)/charging:			
Independent Examiner's remuneration		1,800	1,750
Income under Restricted Fund Projects	(278,041)		(42,300)
Expenditure under Restricted Income payments	99,481		28,200

7 TANGIBLE FIXED ASSETS

	Charity Plant and Machinery £	Charity Total £
Cost or Valuation		
Balance at 1 January 2021	219,338	219,338
Disposals	-	-
Balance at 31 December	<u>219,338</u>	<u>219,338</u>

RECYCLING OF USED PLASTICS LIMITED

Page 23

(being a Company Limited by Guarantee)

CHARITY INCOME AND EXPENDITURE and BALANCE SHEET

AS AT 31 DECEMBER 2021

2021	<hr/>		8
Balance at 1 January 2021	<hr/>		219,316
	16	219,316	
On disposals	<hr/>		
Balance at 31 December 2021	219,316	219,316	6
	<hr/>		
Net Book Value at 31 December 2021	22	2	2
		2	
	<hr/>		
Net Book Value at 31 st December 2020	22	22	
	<hr/>		

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

8 DEBTORS

	Charity 2021	2020
	£	£
Trade debtors	77,759	97,146
Prepayments	804	805
VAT	-	-
	<hr/>	<hr/>
	78,563	97,951

9 CREDITORS: Amounts falling due within one year

	Charity 2021	2020
	£	£
Trade creditors	83,430	53,750
Other taxation and social security	477	15,210
Accruals and deferred income	69,799	78,810
	<hr/>	<hr/>
	153,706	147,770

Deferred Income is in respect of Membership Fees invoiced in 2021 relating to 2022 Memberships.

RECYCLING OF USED PLASTICS LIMITED

Page 24

(being a Company Limited by Guarantee)

CHARITY INCOME AND EXPENDITURE and BALANCE SHEET

AS AT 31 DECEMBER 2021

10 UNRESTRICTED FUNDS

	Balance at 1.01.21	Movement in Resources		Balance at 31.12.21
		Incomin g	Outgoing	
	£	£	£	£
General Fund	2,351	567,044	549,151	20,244

11 RESTRICTED FUNDS

	Balance at 1.01.21	Movement in Resources		Balance at 31.12.21
		Incoming	Outgoing	
	£	£	£	£
Restricted Schemes				
E P S Project	2,500	-	-	2,500
MARS	3,104	-	3,104	-
Danone	14,600	12,000	26,600	-
AGGP	-	180,000	-	180,000
Kent UP Project	20,000	86,041	69,777	36,264
	40,204	278,041	99,481	218,764

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.

RECYCLING OF USED PLASTICS LIMITED

Page 25

(being a Company Limited by Guarantee)

CHARITY INCOME AND EXPENDITURE and BALANCE SHEET

AS AT 31 DECEMBER 2021

AGGP: A range of projects related to both consumer and technical work.

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 2021 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 £48,636 (2020: £76,083). No individual contribution made exceeded 10% of the total contributions made. The company paid £568,166 (2020: £499,400) 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 2021 was £78,709 (2020: £52,880). A payment of £4,761 (2020: £0) was made to Kermadec Ltd., a company which Jim Armstrong has an interest in. 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

RECYCLING OF USED PLASTICS LIMITED

Page 26

(being a Company Limited by Guarantee)

CHARITY INCOME AND EXPENDITURE and BALANCE SHEET

AS AT 31 DECEMBER 2021

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