

The British Plastics Federation
Registered No: 282883

Report and Accounts
Year Ended 31 December 2007

MONDAY



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The British Plastics Federation

Notice of Meeting

Notice is hereby given that the seventy-third Annual General Meeting of the Federation will be held at 6 Bath Place, London at 12 noon on Thursday, 17 July 2008 when the following business will be transacted

- 1 To approve the Minutes of the seventy-second Annual General Meeting held on 9 May 2007
- 2 To note apologies for absence
- 3 To receive and adopt the Accounts and Balance Sheet of the Federation and the Report of the Honorary Treasurer for the year ended 31 December 2007 and the Report of the Auditors thereon
- 4 To receive the President's Review
- 5 To receive and adopt the Director's Report
- 6 To appoint Auditors to hold office until the conclusion of the next Annual General Meeting, and to authorise the Council to fix their remuneration
- 7 To report to the Members the results of the elections to the Council of the Federation for the period 2008-2011
- 8 Any other business

By order of the Council



A V DAVEY
Federation Secretary

Dated 23 April 2008

A member entitled to be present and vote at the above mentioned meeting may appoint a proxy to attend and vote in his stead Pursuant to Article 60 of the Federation's Articles of Association, a proxy must be a member of the Federation

The British Plastics Federation

Director's Report

For the Year Ended 31 December 2007

Business review

Whilst the Federation in common with the UK economy as a whole has experienced a year of testing business conditions, it has nevertheless had a strong year in terms of achievement and financial performance

The transaction to buy-out annuitants from the RBS final salary pension scheme was fully recognised in the 2006 financial statements, although the Scheme was not recorded as wound-up until February 2007

This decision by the RBS Scheme Trustees has removed an area of financial uncertainty from the affairs of the Federation and allowed the organisation to focus on its core activities and priorities

In terms of total BPF membership, 2007 was another year of successful recruitment with 35 new members, unfortunately resignations of 30 meant only a net increase of 5 overall

Whilst membership growth was small, other revenue sources, exhibition/events, funded projects, services contracts and a fully tenanted building continued their significant contribution to income

Total income at £1,616,783, of which membership subscriptions were £762,522, rose by £146,028 from the previous year

Administrative expenses at £1,553,675 fell by £635,528 over the previous year, of which £753,730 was due to the 2006 exceptional one-off pension contribution. In the year we continued with the programme of landlord improvements and secured a fourth tenant for the building

Operationally 2007 was a very satisfactory year and with staffing being brought up to full complement the Federation is now at full strength. Financially our results reflect the level of hard work and commitment producing a surplus for the year of £8687 (deficit in 2006 £754,019)

The Federation is certainly demonstrating the new President's theme 'fit for the future' and looks forward to 2008 and celebrating its distinguished past in what will be its 75th anniversary year

These credentials will certainly be tested by the economic and industry conditions, image and regulatory challenges that undoubtedly await us in 2008. However, we remain committed to meeting these challenges. We are also committed to extending the benefits of BPF membership and are confident that a Climate Change Agreement with DEFRA can be successfully concluded during the course of 2008

Subscription membership rates have been increased for 2008 by 2.5%

Principal activities

The British Plastics Federation is the principal trade association representing the interests of the plastics industry in this country. The Federation's affairs are controlled by a Council, the members of which are elected and receive no remuneration

Results and dividends

The surplus after taxation for the year ended 31 December 2007 was £8,687. No dividend is payable and accordingly £8,687 is transferred to reserves

**The British Plastics Federation
Director's Report
For the Year Ended 31 December 2007**

Director's responsibilities

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the director is required to

- a Select suitable accounting policies and then apply them consistently,
- b Make judgments and estimates that are reasonable and prudent,
- c Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Schedule 8 Exemptions

Advantage is taken in the preparation of the Director's Report of the special exemptions applicable to small companies conferred by Part VII of Schedule 8 to the Companies Act 1985.

Director

P R C Davis served as a director throughout the year.

Fixed assets

Changes in fixed assets are detailed in Note 9 to the accounts. The principal acquisitions in the year were IT related and included the upgrade of main servers. Note 11 deals with the freehold property revaluation reserve.

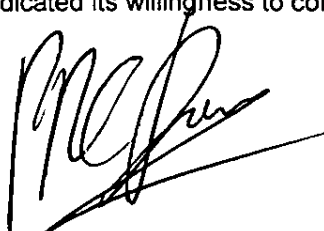
Statement as to Disclosure of Information to Auditors

The director who was in office on the date of approval of these financial statements has confirmed, as far as he is aware, that there is no relevant audit information of which the auditors are unaware. The director has confirmed that he has taken all the steps that he ought to have taken as director in order to make himself aware of any relevant audit information and to establish that it has been communicated to the auditor.

Auditors

The directors, having been notified of the cessation of the partnership known as Baker Tilly, resolved that Baker Tilly UK Audit LLP be appointed as successor auditor with effect from 1 April 2007, in accordance with the provisions of the Companies Act 1989, s26(5). Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

P R C Davis
Director
10 June 2008



Independent Auditors' Report to the Members Of The British Plastics Federation (continued)

We have audited the financial statements on pages 5 to 13

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The director's responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Director's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Director's Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

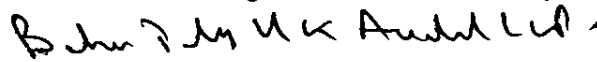
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs at 31 December 2007 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Director's Report is consistent with the financial statements.


BAKER TILLY UK AUDIT LLP
Registered Auditor and Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST
10 June 2008

The British Plastics Federation

Income and Expenditure Account for the year ended 31 December 2007

	Note	2007 £	£	2006 £	£
Income					
Subscriptions and affiliation fees		762,522		735,605	
Other income		854,261		735,150	
			1,616,783		1,470,755
Expenditure					
Administrative expenses	3		(1,553,675)		(2,189,203)
Operating /surplus/(deficit)			63,108		(718,448)
Interest receivable			4,229		2,715
Interest payable	3		(58,650)		(38,286)
Surplus/(Deficit) on ordinary activities before taxation			8,687		(754,019)
Taxation	6		-		-
Surplus/(Deficit) after taxation	11		8,687		(754,019)

The income and surplus for the year arises from continuing activities

The notes on pages 8 to 13 form part of these accounts

The British Plastics Federation
Statement of Total Recognised Gains and Losses
for the year ended 31 December 2007

Statement of Total Recognised Gains and Losses for the year ended 31 December 2007

	2007	2006
	£	£
Surplus/(Deficit) on ordinary activities before taxation	8,687	(754,019)
Unrealised surplus on revaluation of freehold property	-	1,063,375
Total recognised gains and losses relating to the year	<u>8,687</u>	<u>309,356</u>

Note of Historical Cost Surpluses and Deficits for the year ended 31 December 2007

	2007	2006
	£	£
Surplus/(Deficit) on ordinary activities before taxation	8,687	(754,019)
Difference between a historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	12,859	10,659
Historical cost (deficit)/surplus on ordinary activities before taxation	<u>21,546</u>	<u>(743,360)</u>
Historical cost (deficit)/surplus for the year retained after taxation	<u>21,546</u>	<u>(743,360)</u>

The notes on pages 8 to 13 form part of these accounts

The British Plastics Federation

Balance Sheet as at 31 December 2007

	Note	2007 £	£	2006 £	£
Fixed assets					
Tangible assets	9	2,278,945		2,337,510	
Listed Investment		<u>3,407</u>		<u>3,485</u>	
			2,282,352		2,340,995
Current assets					
Trade debtors		98,575		104,449	
Other debtors		36,172		16,763	
Prepayments and accrued income		110,564		63,323	
Cash in hand and at bank		<u>185,332</u>		<u>103,083</u>	
		<u>430,643</u>		<u>287,618</u>	
Creditors (amounts falling due within one year)					
Bank Loan		7,912		7,482	
Trade creditors		140,981		117,573	
Amount owed to group company		4,541		4,541	
Other creditors		379,423		394,257	
Taxation and social security		86,740		70,071	
Accruals and deferred income		207,859		157,208	
Subscriptions received in advance		<u>303,739</u>		<u>297,608</u>	
		<u>(1,131,195)</u>		<u>(1,048,740)</u>	
Net current liabilities			<u>(700,552)</u>		<u>(761,122)</u>
Total assets less current liabilities			1,581,800		1,579,873
Creditors-(amounts falling due after one year)	10		<u>(674,067)</u>		<u>(680,827)</u>
Net Assets			<u>907,733</u>		<u>899,046</u>
Revaluation reserve	11	1,407,207		1,430,541	
Accumulated fund	12	<u>(499,474)</u>		<u>(531,495)</u>	
			<u>907,733</u>		<u>899,046</u>

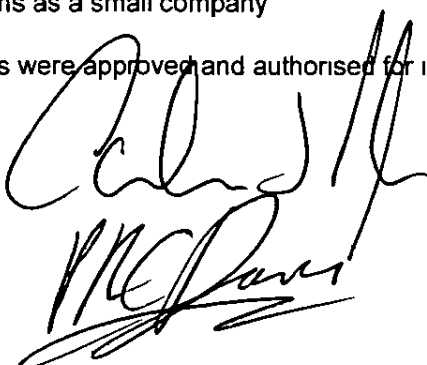
The notes on pages 8 to 13 form part of these accounts

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies. In the Director's opinion, the company is entitled to these exemptions as a small company.

These financial statements were approved and authorised for issue on 10 June 2008

C Forsyth President

PRC Davis Director



The British Plastics Federation

Notes To The Accounts - 31 December 2007

1 Accounting Policies

(i) Accounting convention

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities. Items are stated in the accounts under the historical cost convention and in accordance with applicable accounting standards contained in the FRSSE (effective January 2007)

(ii) Members' subscriptions

Members' subscriptions represent amounts receivable in respect of the 2007 annual subscription, excluding value added tax

(iii) Other income

Other income includes a management fee from sponsored events and other project related activities, excluding value added tax. Professional services and rental income are also included within other income

(iv) Fixed assets and depreciation

Fixed assets include properties professionally valued by Chartered Surveyors on an existing use open market value basis, in accordance with the Statement of Assets Valuation Practice No 4 and the Guidance Notes of the Royal Institution of Chartered Surveyors. Other fixed assets are stated at historical cost

Depreciation is provided at rates calculated to write off the cost of assets over their estimated useful lives on a straight-line basis

The principal rates of depreciation in use are

Freehold buildings 2% of valuation

Land is not depreciated

Furniture and fittings 20% of cost

Computer equipment 33 1/3% of cost

(v) Group accounts

Group accounts have not been prepared since the Federation's subsidiary is dormant. The joint venture Valuplast Limited is not included on the basis that it is not material

(vi) Operating leases

Expenditure on operating leases is charged to the income and expenditure account on a straight-line basis over the lease term

The British Plastics Federation

Notes To The Accounts - 31 December 2007 (continued)

(vii) Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits, and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

(viii) Pension costs

During 2006, the Trustees of the Retirement Benefits Scheme agreed to purchase annuities for deferred pensioners, and effectively buy-out the Scheme. Acceptance of this purchase through Legal & General (L&G) was secured 12 May 2006 by the payment of a 90% deposit, and the final premium payment was made 28 February 2007. The employer's contribution relating to entire transaction was fully recognised in the 2006 accounts.

The Federation still operates a group personal pension arrangement for employees.

2 Subsidiaries and Joint Ventures

The company has the interests in various companies as follows

	% held	Status	Country of incorporation	Net assets as at 31/12/07
The Plastics and Rubber Advisory Service (PRAS)	100	Dormant	England and Wales	£4,541
Valuplast UK Limited	50	Dormant	England and Wales	Nil
Valuplast Limited *	50	Dormant	England and Wales	Nil

* held by Valuplast UK Limited

The PRAS accumulated fund is £4,541 (2006 £4,541), amount owed by parent undertaking £4,541 (2006 £4,541)

The British Plastics Federation

Notes To The Accounts - 31 December 2007 (continued)

3 Surplus On Ordinary Activities Before Taxation

(i) Administrative expenses include

	2007	2006
	£	£
Staff costs – Wages and salaries	641,774	611,441
Social security costs	72,387	69,828
Pension costs - defined contribution schemes	52,287	55,857
	<u>766,448</u>	<u>737,126</u>
Repairs & Maintenance	30,646	25,677
Professional Fees	33,874	29,103
Depreciation	64,420	58,494
Auditors' remuneration - audit services	11,500	11,000
Operating lease rentals (hire of equipment)	56,570	53,034
Exceptional item – Final salary pension scheme (note 14)	-	753,730
(ii) Interest payable on		
Bank overdraft	800	306
Cash held on behalf of member groups	12,067	9,595
Mortgage	45,783	28,385
	<u>58,650</u>	<u>38,286</u>
(iii) other income includes		
Lease Agreements	111,093	115,121
Services Agreements	296,116	269,939

4 Director's Emoluments

The emoluments of the director amounted to £143,733 (2006 £132,860) Contributions by the Company under a money purchase pension scheme amounted to £14,166 (2006 £13,364) No other Council member received emoluments

5 Employees

The average number of persons employed by the company during the year was 23 (2006 24)

6 Taxation

There are UK Corporation tax losses carried forward of approximately £743,000

The potential liability to deferred taxation calculated on the freehold property capital gain using the 2008/9 tax rates is £240,000 (2006 £271,000) This has not been provided in the accounts, as it is not expected to crystallise in the foreseeable future

A deferred tax asset of £ 929, [2006 liability £ (107)] arising on accelerated capital allowances relating to non-freehold assets has not been recognised in the accounts

The British Plastics Federation

Notes To The Accounts - 31 December 2007 (continued)

7 Operating Lease Commitments

The Company has annual commitments under operating leases on assets other than land and buildings to make payments in the year to 31 December 2007 as follows

	2007	2006
	£	£
Expiring		
Under one year	2540	-
Between two and five years	47,951	56,123

8 Constitution

The Federation is a company limited by guarantee The liability of each member is limited to £1

9 Tangible Fixed Assets

	Freehold Premises	Furniture/ Fittings	Computer Equipment	Total
	£	£	£	£
Cost or valuation				
At 1 January 2007	2,300,000	205,701	233,065	2,738,766
Additions	-	2,174	3,941	6,115
Disposals	-	-	(33,737)	(33,737)
At 31 December 2007	2,300,000	207,875	203,269	2,711,144
Depreciation				
At 1 January 2007	26,625	180,702	193,929	401,256
On disposals	-	-	(33,477)	(33,477)
Provision for year	35,500	7,600	21,320	64,420
At 31 December 2007	62,125	188,302	181,772	432,199
Net Book Amount				
At 31 December 2007	2,237,875	19,573	21,497	2,278,945
At 31 December 2006	2,273,375	24,999	39,136	2,337,510

In April 2006, the freehold property at 6 Bath Place was valued by DTZ Debenham Tie Leung at a market value of £2,300,000 The land was valued at £525,000 and buildings £1,775,000

Previously, the property had been valued at £1,300,000 in 2002 and was originally acquired at a cost of £1,132,069

An area equivalent to two of the six floors of the freehold property is rented out to four tenants under separate operating lease agreements

The Federation has supplied a fixed charge over the freehold property as security for its bank loan and overdraft facility

The British Plastics Federation

Notes To The Accounts - 31 December 2007 (continued)

10 Creditors-Amounts Falling Due After More Than One Year

	2007 £	2006 £
Bank loan	674,067	680,827

The bank loan is secured by a fixed charge on 6 Bath Place, London

Analysis of debt maturity

	2007 £	2006 £
Amounts payable		
In more than one year but not more than two years	8,449	7,860
In more than two years but not more than five years	28,944	27,344
In five years or more	636,674	645,623
31 December 2007	674,067	680,827

11 Freehold Property Revaluation Reserve

	Buildings	Amount relating to		Total 2006
		Land	Total 2007	
	£	£	£	£
1 January 2007	1,129,446	301,095	1,430,541	386,184
Revaluation during the year	-	-	-	1,063,375
Transfer to Accumulated fund (note 12)	(23,334)	-	(23,334)	(19,018)
31 December 2007	1,106,112	301,095	1,407,207	1,430,541

12 Accumulated Fund

	2007 £	2006 £
1 January 2007	(531,495)	203,506
Surplus/(Deficit) for the year	8,687	(754,019)
Transfer from revaluation reserve (note 11)	23,334	19,018
31 December 2007	(499,474)	(531,495)

The British Plastics Federation

Notes To The Accounts - 31 December 2007 (continued)

13 Capital Commitments

At 31 December 2007 the Federation had no capital expenditure authorised and contracted for (2006 nil)

14 Pension Commitments

The Federation operated a funded pension scheme providing benefits based on final pensionable pay, which ceased to future accrual of benefits on 31 December 2003

During 2006 the Scheme Trustees agreed to purchase annuities for the deferred pensioners through a premium payment to Legal & General. This course of action was entered into and secured in May 2006, which included the surrender of all assets within the fund and the shortfall being met by a special contribution from the British Plastics Federation. This action discharged the British Plastics Federation from its liability to the scheme. The final instalment to purchase the annuities was paid in February 2007. The employer's contribution of £753,730 to this entire transaction is fully recognised in the 2006 financial statements.

The Scheme was formally recorded as wound-up by the Pensions Regulator on 28 February 2007.