

The British Plastics Federation
Registered No: 282883

Report and Accounts
Year Ended 31 December 2010

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The British Plastics Federation

Notice of Meeting

Notice is hereby given that the seventy-sixth Annual General Meeting of the Federation will be held at 6 Bath Place, London at **12 noon on Wednesday, 25 May 2011** when the following business will be transacted

- 1 To approve the Minutes of the seventy-fifth Annual General Meeting held on 13 May 2009
- 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 2010 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 2011-2014
- 8 Any other business

By order of the Council



A V DAVEY
Federation Secretary

Dated 11 March 2011

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 2010**

Business review

2010 was the year when the UK started its transition from recession to recovery, a new government elected and the course set to re-dress the state of public finances

In reality, the recovery in 2010 was somewhat stronger than expected but as the UK economy is rebalanced and relies less on consumer and government spending one key question for 2011 will be whether other areas of GDP such as exports will be able to compensate and maintain growth

For the Federation, 2010 was also a year of significance with the strength of its diverse stream of revenues being augmented by the first full year of services income from BPF Energy Limited

All the Federation's principal revenue streams performed better than in 2009 with total income for 2010 at £2,045,598 increasing by 12.9% or £234,192 from the previous year. This included membership subscriptions at £805,291 which grew by 11.3% or £81,625 over 2009.

Administrative expenses at £1,777,141 rose by £129,315 over 2009, reflecting increased operating costs of the Bath Place freehold, a modest increase in staff costs and increased activity on events and projects.

Consequently, 2010 was another extremely busy year for the BPF staff supporting an increased membership, extensive events programme culminating with K2010, an ever increasing R&D projects commitment and the first full year of the Plastics Sector Climate Change Agreement.

The financial outcome reflects a remarkable year for the Federation resulting in a surplus of £226,112 (2009 £105,488), a result only made possible by the continued hard work, professionalism and commitment of the Federation's staff in this exceptional year. The surplus will help consolidate the long term financial position of the Federation.

Subscription membership rates have not been increased for a third successive year in 2011.

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 2010 was £226,112. No dividend is payable and accordingly £226,112 is transferred to reserves.

Director's responsibilities

The director is responsible for preparing the Director's 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 British Plastics Federation
Director's Report
For the Year Ended 31 December 2010**

Under company law a director must not approve the financial statements unless he is satisfied that they 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 those financial statements, the director is required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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

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. Note 11 deals with the freehold property revaluation reserve.

Statement as to Disclosure of Information to the Auditor

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 auditor is 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.

Auditor

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

This report has been prepared in accordance with the provision applicable to companies entitled to the small companies exemption.



P R C Davis
Director
31 March 2011

Independent Auditor's Report to the Members of The British Plastics Federation

We have audited the financial statements on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 director and auditors

As more fully explained in the Director's Responsibilities Statement set out on page 3, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and its surplus for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the director's report.


Richard White (Senior Statutory Auditor)

For and on behalf of **BAKER TILLY UK AUDIT LLP**, Statutory Auditor
25 Farringdon Street
London
EC4A 4AB

31 March 2011

**The British Plastics Federation
Income and Expenditure Account
for the year ended 31 December 2010**

	Note	2010 £	£	2009 £	£
Income					
Subscriptions and affiliation fees		805,291		723,666	
Other income		1,240,307		1,087,740	
			2,045,598		1,811,406
Expenditure					
Administrative expenses	3		(1,777,141)		(1,647,826)
Operating surplus			268,457		163,580
Interest receivable			261		212
Interest payable	3		(42,606)		(58,304)
Surplus on ordinary activities before taxation			226,112		105,488
Taxation	6		-		-
Surplus after taxation	12		226,112		105,488

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 2010**

	2010	2009
	£	£
Surplus on ordinary activities before taxation	226,112	105,488
Unrealised deficit on revaluation of freehold property	-	-
Total recognised gains and (losses) relating to the year	226,112	105,488

Note of Historical Cost Surpluses and Deficits for the year ended 31 December 2010

	2010	2009
	£	£
Surplus on ordinary activities before taxation	226,112	105,488
Difference between a historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	3,659	3,659
Historical cost surplus on ordinary activities before taxation	229,771	109,147
Historical cost surplus for the year retained after taxation	229,771	109,147

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

The British Plastics Federation
Balance Sheet as at 31 December 2010

Company Number
282883

	Note	2010 £	£	2009 £	£
Fixed assets					
Tangible assets	9	1,760,353		1,730,161	
Listed Investment		3,353		3,211	
Investment in Subsidiary		1		1	
		<u>1,763,707</u>		<u>1,733,373</u>	
Current assets					
Trade debtors		85,891		189,077	
Other debtors		24,279		51,404	
Amounts due from Subsidiary Undertaking		104,441		66,903	
Prepayments and accrued income		61,687		81,793	
Cash in hand and at bank		531,640		168,833	
		<u>807,938</u>		<u>558,010</u>	
Creditors (amounts falling due within one year)					
Bank Loan		25,124		24,656	
Trade creditors		99,496		80,050	
Amount owed to group companies		4,541		4,541	
Other creditors		411,459		469,116	
Taxation and social security		79,780		78,760	
Accruals and deferred income		165,747		177,335	
Subscriptions received in advance		387,233		259,440	
		<u>(1,173,380)</u>		<u>(1,093,898)</u>	
Net current liabilities			<u>(365,442)</u>		<u>(535,888)</u>
Total assets less current liabilities			<u>1,398,265</u>		<u>1,197,485</u>
Creditors-(amounts falling due after one year)	10		<u>(595,233)</u>		<u>(620,565)</u>
Net Assets			<u>803,032</u>		<u>576,920</u>
Revaluation reserve	11		<u>881,574</u>		<u>897,660</u>
Accumulated fund	12		<u>(78,542)</u>		<u>(320,740)</u>
			<u>803,032</u>		<u>576,920</u>

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

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved and authorised for issue on 31 March 2011

P F Jukes President

PRC Davis Director



The British Plastics Federation

Notes To The Accounts - 31 December 2010

1 Accounting Policies

(i) Accounting convention

The financial statements have been prepared in accordance with the provisions of the Companies Act 2006 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 April 2008).

(ii) Going concern

The financial statements have been prepared on a going concern basis. Whilst the company has net current liabilities at the year end of £365,441 the director has considered the surplus for the year and reviewed the forecasts for 2011 and 2012 to ensure the company would be in a position to meet its liabilities as they fall due.

(iii) Members' subscriptions

Members' subscriptions represent amounts receivable in respect of the 2010 annual subscription, excluding value added tax.

(iv) 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.

(v) Fixed assets and depreciation

Fixed assets include freehold property professionally valued by a Chartered Surveyor 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. The property is revalued every five years by an Independent Chartered Surveyor and by the Director in the intervening years when there has been a material change in market value. 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

The British Plastics Federation

Notes To The Accounts - 31 December 2010 (continued)

(vi) Group accounts

BPF Energy Limited was incorporated on the 26 June 2009 as a wholly owned subsidiary of the Federation with issued share capital of £1. It has traded in the year but has not been consolidated as the director has taken the exemptions available to small groups. The subsidiary's first set of accounts were prepared for the 18 month period to 31 December 2010.

(vii) Operating leases

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

(viii) 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.

(ix) Pension costs

The Federation operates a group personal pension arrangement for employees.

The British Plastics Federation

Notes To The Accounts - 31 December 2010 (continued)

2 Subsidiaries and Joint Ventures

The company has the interests in various companies as follows

	% held	Status	Country of incorporation	Net assets as at 31/12/10	Profit for the year to 31/12/10
The Plastics and Rubber Advisory Service (PRAS)	100	Dormant	England and Wales	£4,541	Nil
Valuplast UK Limited	50	Dormant	England and Wales	Nil	Nil
Valuplast Limited *	50	Dormant	England and Wales	Nil	Nil
BPF Energy Limited	100	Active	England and Wales	£28,256	£28,255

* held by Valuplast UK Limited

The PRAS accumulated fund is £4,541 (2009 £4,541), amount owed by parent undertaking £4,541 (2009 £4,541)

During the year the company charged its subsidiary BPF Energy Limited £380,214 (2009 £168,566) in respect of management & administrative services. At the end of the year £104,441 was due from BPF Energy Limited (2009 £66,903)

3 Surplus On Ordinary Activities Before Taxation

(i) Administrative expenses include

	2010 £	2009 £
Staff costs – Wages and salaries	759,679	721,919
Social security costs	83,046	78,657
Pension costs - defined contribution schemes	152,879	132,827
	995,604	933,403
Repairs & Maintenance	20,362	15,186
Professional Fees	19,482	16,975
Depreciation	59,609	54,128
Auditors' remuneration - audit services	12,750	12,500
Operating lease rentals (hire of equipment)	37,258	42,402

(ii) Interest payable on

Bank overdraft	-	19
Cash held on behalf of member groups	-	43
Bank Loan-secured on property	42,606	58,242
	42,606	58,304

(iii) other income includes

Rental Income under Lease Agreements	113,397	135,908
Services Agreements	641,253	474,695

The British Plastics Federation

Notes To The Accounts - 31 December 2010 (continued)

4 Director's Emoluments

The emoluments of the director amounted to £160,758 (2009 £150,352) Contributions by the Company under a money purchase pension scheme amounted to £20,389 (2009 £18,688) No other Council member received emoluments

5 Employees

The average number of persons employed by the company during the year was 24 (2009 24)

6 Taxation

There are UK Corporation tax losses carried forward of approximately £342,000 (2009 £536,000) No deferred tax asset has been recognised in respect of this loss due to the uncertainty of timing of future profits

The potential liability to deferred taxation calculated on the freehold property capital gain using the 2011/12 tax rates is £41,000 (2009 £57,000) This has not been provided in the accounts, as it is not expected to crystallise in the foreseeable future

A deferred tax liability of £6,230 (2009 £140) arising on accelerated capital allowances relating to non-freehold assets has not been recognised in the accounts

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 2011 as follows

	2010	2009
	£	£
Expining		
Under one year	-	2,860
Between two and five years	34,759	34,488

8 Constitution

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

The British Plastics Federation

Notes To The Accounts - 31 December 2010 (continued)

9 Tangible Fixed Assets

	Freehold Premises £	Furniture/ Fittings £	Computer Equipment £	Total £
Cost or valuation				
At 1 January 2010	1,725,000	210,452	237,059	2,172,511
Additions	-	23,570	66,231	89,801
Disposals	-	(19,330)	(35,212)	(54,542)
At 31 December 2010	1,725,000	214,692	268,078	2,207,770
Depreciation				
At 1 January 2010	26,300	203,628	212,422	442,350
Disposals	-	(19,330)	(35,212)	(54,542)
Charge for the year	26,300	5,950	27,359	59,609
At 31 December 2010	52,600	190,248	204,569	447,417
Net Book Amount				
At 31 December 2010	1,672,400	24,444	63,509	1,760,353
At 31 December 2009	1,698,700	6,824	24,637	1,730,161

The Federation has given a fixed charge over the freehold property at 6 Bath Place as security for its bank loan and overdraft facility

In 2008 the directors reduced the valuation of the freehold property by 25%. This was reflected in the 2008 financial statements and resulted in a £477,375 reduction in the revaluation reserve

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

A combined area of 2576 Sq Ft or 28% of the total freehold property is rented out to four tenants under separate operating lease agreements

The British Plastics Federation

Notes To The Accounts - 31 December 2010 (continued)

10 Creditors-Amounts Falling Due After More Than One Year

	2010 £	2009 £
Bank loan	595,233	620,565

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

Analysis of debt maturity

	2010 £	2009 £
Amounts payable		
In more than one year but not more than two years	25,598	25,120
In more than two years but not more than five years	79,721	78,236
In five years or more	489,914	517,209
31 December	595,233	620,565

11 Freehold Property Revaluation Reserve

	Buildings £	Land £	Total 2010 £	Total 2009 £
1 January	711,565	186,095	897,660	913,746
Revaluation during the year	-	-	-	-
Transfer to Accumulated fund (note 12)	(16,086)	-	(16,086)	(16,086)
31 December	695,479	186,095	881,574	897,660

12 Accumulated Fund

	2010 £	2009 £
1 January	(320,740)	(442,314)
Surplus for the year	226,112	105,488
Transfer from revaluation reserve (note 11)	16,086	16,086
31 December	(78,542)	(320,740)