

Company Registration No. 2644759 (England and Wales)

SAVE-A-CUP RECYCLING COMPANY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

SAVE-A-CUP RECYCLING COMPANY LIMITED

COMPANY INFORMATION

Directors	J D Hoskin H J Kloeze PR Allen D M Smith N Whittall (Appointed 18 March 2009) M Jones R Williams G F J De Wit (Appointed 27 January 2009)
Secretary	R King
Company number	2644759
Registered office	Bridge House Bridge Street High Wycombe Buckinghamshire HP11 2EL
Auditors	Saffery Champness Fox House 26 Temple End High Wycombe Buckinghamshire HP13 5DR
Bankers	Lloyds TSB Bank plc 13 High Street High Wycombe Bucks HP11 2BD
Solicitors	Reynolds Parry Jones 10 Easton Street High Wycombe Buckinghamshire HP11 1NP

SAVE-A-CUP RECYCLING COMPANY LIMITED

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SAVE-A-CUP RECYCLING COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2009

The directors present their report and financial statements for the year ended 31 March 2009.

Principal activities

The principal activity of the company is to promote the recycling of used hard wall polystyrene vending cups within the UK. This is achieved through the provision of a collection service for used cups which are then baled and sold on for recycling or further processed by third parties into compound, for use in the manufacture of Save-A-Cup promotional products.

The company is operated on a not for profit basis by agreement with all shareholders.

Cup collection activities are funded mainly by an Environmental Charge which is levied on hard wall polystyrene cups at their first point of sale in the U.K. The amount of environmental charge revenue has continued to decline year on year in line with the continuing decline of the UK polystyrene cup market. This continuing decline has led the company to broaden the scope of the products which it collects and recycles and to develop new income streams including charge per sack, annual administration charges and site collection charges.

Demand for the company core activity of collection and recycling has held up well throughout this recession year and the margin earned on these new income streams has remained strong.

Demand for the company non core, or so called discretionary purchase items has been affected by the recession and a program of tight cost control has helped the company to achieve close to budget financial performance and thereby maintain cash reserves.

Looking forward it is planned to reduce the rate at which the levy is charged in future years as the company new income streams continue to grow and as the company becomes increasingly self financing. These rate cuts will be made as economic circumstances and the performance of the company allow.

RESULTS AND DIVIDENDS

The Loss for the year on ordinary activities after taxation is £14,025 (2008: 1,611).

No dividend is proposed for the year (2008: £nil).

Directors

The following directors have held office since 1 April 2008:

J D Hoskin

H J Kloeze

A Porter

(Resigned 18 March 2009)

PR Allen

D M Smith

N Whittall

(Appointed 18 March 2009)

D Vennard

(Resigned 31 December 2008)

M Jones

R Williams

G F J De Wit

(Appointed 27 January 2009)

SAVE-A-CUP RECYCLING COMPANY LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2009

Auditors

Saffery Champness have expressed their willingness to remain in office as auditors of the company.

Statement of directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that 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 1985. They are 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.

Statement of disclosure to auditors

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board

J D Hoskin

Director

22 September 2009

SAVE-A-CUP RECYCLING COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF SAVE-A-CUP RECYCLING COMPANY LIMITED

We have audited the financial statements of Save-A-Cup Recycling Company Limited for the year ended 31 March 2009 set out on pages 5 to 13. These financial statements have been prepared under the accounting policies set out therein.

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 auditors' 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 directors' responsibilities for preparing 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 Directors' 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 directors' 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 directors' remuneration and other transactions is not disclosed.

We read the directors' 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 directors 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.

SAVE-A-CUP RECYCLING COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT (continued)

TO THE SHAREHOLDERS OF SAVE-A-CUP RECYCLING COMPANY LIMITED

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Saffery Champness

22 September 2009

**Chartered Accountants
Registered Auditors**

Fox House
26 Temple End
High Wycombe
Buckinghamshire
HP13 5DR

SAVE-A-CUP RECYCLING COMPANY LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2009**

		2009	2008
	Notes	£	£
Turnover	2	1,037,646	1,093,393
Cost of sales		(640,928)	(691,520)
Gross profit		396,718	401,873
Administrative expenses		(418,179)	(410,353)
Operating loss	3	(21,461)	(8,480)
Other interest receivable and similar income		7,017	8,727
Interest payable and similar charges	4	-	(11)
(Loss)/profit on ordinary activities before taxation		(14,444)	236
Tax on (loss)/profit on ordinary activities	5	419	(1,847)
Loss for the year	11	(14,025)	(1,611)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

The notes on pages 7 to 13 form part of these financial statements.

SAVE-A-CUP RECYCLING COMPANY LIMITED

BALANCE SHEET AS AT 31 MARCH 2009

	Notes	2009 £	£	2008 £	£
Fixed assets					
Tangible assets	6		32,997		37,911
Current assets					
Stocks		14,696		17,352	
Debtors	7	151,564		146,720	
Cash at bank and in hand		164,597		184,325	
		<u>330,857</u>		<u>348,397</u>	
Creditors: amounts falling due within one year	8	<u>(154,571)</u>		<u>(163,000)</u>	
Net current assets			176,286		185,397
Total assets less current liabilities			<u>209,283</u>		<u>223,308</u>
Creditors: amounts falling due after more than one year	9		<u>(10,000)</u>		<u>(10,000)</u>
			<u>199,283</u>		<u>213,308</u>
Capital and reserves					
Called up share capital	10	145,000		145,000	
Other reserves	11	5,000		5,000	
Profit and loss account	11	49,283		63,308	
Shareholders' funds	12		<u>199,283</u>		<u>213,308</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The notes on pages 7 to 13 form part of these financial statements.

Approved by the Board and authorised for issue on 22 September 2009

J D Hoskin
Director

Company Registration No. 2644759

SAVE-A-CUP RECYCLING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	25% per annum
Office Equipment	25% per annum
Motor vehicles	25-50% per annum

1.3 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.4 Stock

Stock is valued at the lower of cost and net realisable value.

1.5 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax assets are only recognised to the extent that, on the basis of all evidence, it can be regarded as more likely than not, that there will be sufficient taxable profits from which the future reversal of underlying timing differences can be deducted.

1.6 One-off payments

One-off payments are additional payments made by cup manufacturers and ingredient suppliers to supplement the income of the company.

1.7 Environmental Charge

During the year ended 31 March 2009 this charge was levied at the rate of 0.018p (2008:0.018p) per cup on sales of cups into the mainland market place and forwarded direct to the company.

SAVE-A-CUP RECYCLING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2009**

2 Turnover

Turnover represents Environmental Charge, "charge per bag" of cups collected, annual administration charge and amounts derived from the sale of recycled polystyrene waste and related products, end-use and ancillary items, after the deduction of value added tax. All the turnover and profit before taxation arises in the United Kingdom.

3 Operating loss	2009	2008
	£	£
Operating loss is stated after charging/(crediting):		
Depreciation of tangible assets	18,791	18,005
Operating lease rentals		
- Motor vehicle	18,199	8,361
- Plant & machinery	18,662	22,929
Auditors' remuneration	2,500	2,500
Environmental charge	(331,997)	(403,090)
	<u> </u>	<u> </u>

4 Interest payable	2009	2008
	£	£
Hire purchase interest	-	11
	<u> </u>	<u> </u>

SAVE-A-CUP RECYCLING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2009**

5 Taxation	2009	2008
	£	£
Domestic current year tax		
U.K. corporation tax	-	1,847
Adjustment for prior years	(419)	-
	<u> </u>	<u> </u>
Current tax charge	<u> </u>	<u> </u>
	(419)	1,847
	<u> </u>	<u> </u>
Factors affecting the tax charge for the year		
(Loss)/profit on ordinary activities before taxation	(14,444)	236
	<u> </u>	<u> </u>
(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2008: 20.00%)	(3,033)	47
	<u> </u>	<u> </u>
Effects of:		
Non deductible expenses	1,034	1,169
Depreciation add back	3,946	3,601
Capital allowances	(4,270)	(3,359)
Loss carry back	2,344	-
Adjustments to previous periods	(419)	-
Other tax adjustments	(21)	389
	<u> </u>	<u> </u>
	2,614	1,800
	<u> </u>	<u> </u>
Current tax charge	<u> </u>	<u> </u>
	(419)	1,847
	<u> </u>	<u> </u>

SAVE-A-CUP RECYCLING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2009**

6 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2008	128,606
Additions	13,877
	<hr/>
At 31 March 2009	142,483
	<hr/>
Depreciation	
At 1 April 2008	90,695
Charge for the year	18,791
	<hr/>
At 31 March 2009	109,486
	<hr/>
Net book value	
At 31 March 2009	32,997
	<hr/> <hr/>
At 31 March 2008	37,911
	<hr/> <hr/>

7 Debtors	2009	2008
	£	£
Trade debtors	150,611	145,186
Other debtors	953	1,534
	<hr/>	<hr/>
	151,564	146,720
	<hr/> <hr/>	<hr/> <hr/>

8 Creditors: amounts falling due within one year	2009	2008
	£	£
Trade creditors	76,491	85,668
Taxation and social security	29,231	28,242
Other creditors	48,849	49,090
	<hr/>	<hr/>
	154,571	163,000
	<hr/> <hr/>	<hr/> <hr/>

SAVE-A-CUP RECYCLING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2009

9 Creditors: amounts falling due after more than one year	2009	2008
	£	£
Convertible loan stock (see note below)	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

The non-transferable subordinated loan stock is repayable, in full or in part, at nominal value upon three months notice being issued by the company. The loan stock is convertible at any time, at the option of the holder, at a rate of £100 nominal value of ordinary "A" shares for every £100 nominal value of stock. The loan stock is non-interest bearing.

10 Share capital	2009	2008
	£	£
Authorised		
90,000 "A" Shares of £1 each	90,000	90,000
260,000 "B" Shares of £1 each	260,000	260,000
25,000 "C" Shares of £1 each	25,000	25,000
	<u>375,000</u>	<u>375,000</u>
Allotted, called up and fully paid		
40,000 "A" Shares of £1 each	40,000	40,000
80,000 "B" Shares of £1 each	80,000	80,000
25,000 "C" Shares of £1 each	25,000	25,000
	<u>145,000</u>	<u>145,000</u>

The three classes of shareholders have different rights associated with the appointment of directors. In all other respects, the three classes of shareholder have the same rights and rank pari passu in all respects.

10,000 "A" shares of £1 each were re-designated as 10,000 "B" shares ranking pari passu with the existing "B" shares and having the rights and restrictions attached to "B" shares on 14 December 1999.

The authorised share capital of the company was increased to £375,000 divided into 90,000 "A" shares of £1 each, 260,000 "B" shares of £1 each and 250,000 "C" shares of £1 each on 14 December 1999.

20,000 "C" shares were issued at their nominal value of £1 each on 14 December 1999.

SAVE-A-CUP RECYCLING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2009**

11 Statement of movements on reserves

	Other reserves (see below) £	Profit and loss account £
Balance at 1 April 2008	5,000	63,308
Loss for the year	-	(14,025)
	<hr/>	<hr/>
Balance at 31 March 2009	<u>5,000</u>	<u>49,283</u>
 Other reserves		
Capital redemption reserve		
Balance at 1 April 2008 & at 31 March 2009	<u>5,000</u>	

12 Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Loss for the financial year	(14,025)	(1,611)
Opening shareholders' funds	213,308	214,919
	<hr/>	<hr/>
Closing shareholders' funds	<u>199,283</u>	<u>213,308</u>

13 Financial commitments

At 31 March 2009 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2009	2008	2009	2008
	£	£	£	£
Expiry date:				
Within one year	-	-	-	1,366
Between two and five years	18,500	-	38,239	28,013
In over five years	-	18,500	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>18,500</u>	<u>18,500</u>	<u>38,239</u>	<u>29,379</u>

14 Directors' emoluments

	2009 £	2008 £
Emoluments for qualifying services	<u>31,100</u>	<u>27,200</u>

SAVE-A-CUP RECYCLING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2009**

15 Employees

Number of employees

The average monthly number of employees during the year was:

	2009	2008
	Number	Number
Administration	7	7
Representation and collection	10	9
	<u>17</u>	<u>16</u>
	<u><u>17</u></u>	<u><u>16</u></u>
Employment costs	£	£
Wages and salaries	377,516	366,561
Social security costs	35,206	35,105
	<u>412,722</u>	<u>401,666</u>
	<u><u>412,722</u></u>	<u><u>401,666</u></u>

SAVE-A-CUP RECYCLING COMPANY LIMITED**DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2009**

	2009	2008
	£	£
Turnover		
Sales	1,037,646	1,093,393
Cost of sales		
Purchases	310,271	401,197
Wages and salaries (excl. N.I.)	181,790	165,520
Employer's N.I. contributions	16,295	15,531
Motor expenses	105,894	77,348
Travel and subsistence	5,116	5,792
Telephone	1,589	1,438
Sundries	1,311	1,765
Leasing of plant and machinery	18,662	22,929
	<u>(640,928)</u>	<u>(691,520)</u>
Gross profit	396,718	401,873
Administrative expenses	<u>(418,179)</u>	<u>(410,353)</u>
Operating loss	(21,461)	(8,480)
Other interest receivable and similar income		
Bank interest received	7,017	8,727
Interest payable		
Hire purchase interest paid	<u>-</u>	<u>(11)</u>
(Loss)/profit before taxation	<u><u>(14,444)</u></u>	<u><u>236</u></u>

This page does not form part of the financial statements on which the auditors have reported.

SAVE-A-CUP RECYCLING COMPANY LIMITED**SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 31 MARCH 2009**

	2009	2008
	£	£
Administrative expenses		
Wages and salaries (excl. N.I.)	195,726	201,041
Directors' remuneration	31,100	27,200
Employer's N.I. contributions	18,911	19,574
Staff recruitment and training	3,558	5,535
Rent	17,965	17,921
Rates	11,088	9,425
Insurance	8,638	9,316
General office costs	-	706
Cleaning	3,097	3,661
Service charge payable	18,064	5,486
Printing, postage and stationery	11,127	13,599
Promotion	11,856	20,076
Telephone	3,183	3,828
Computer running costs	15,811	17,071
Hire of equipment	2,081	1,109
Motor vehicle leasing	18,199	8,361
Motor running expenses	9,309	7,787
Travelling expenses	5,332	5,995
Entertaining	363	93
Legal and prof fees	5,013	5,198
Consultancy fees	1,198	1,140
Audit fees	3,525	4,475
Bank charges	2,245	1,625
Credit card charges	1,298	1,339
Discounts received	-	7
Sundry expenses	42	255
Subscriptions - allowable	659	525
Depreciation on office equipment	4,332	5,164
Depreciation on motor vehicles	14,459	12,841
	<u>418,179</u>	<u>410,353</u>

This page does not form part of the financial statements on which the auditors have reported.