

# Form AR27

## Trade Union and Labour Relations (Consolidation) Act 1992

### Annual Return for an Employers' Association

Name of Employers' Association:	CONFEDERATION OF PAPER INDUSTRIES				
Year ended:	31 December 2019				
List No:	1589E				
Head or Main Office:	1 RIVENHALL ROAD				
	SWINDON				
	WILTSHIRE				
Postcode	SN5 7BD				
Website address (if available)	<a href="http://WWW.PAPER.ORG.UK">WWW.PAPER.ORG.UK</a>				
Has the address changed during the year to which the return relates?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	('X' in appropriate box)
General Secretary:	NEIL FISHBURNE				
Contact name for queries regarding the completion of this return:	NEIL FISHBURNE				
Telephone Number:	01793-889621				
E-mail:	<a href="mailto:NFISHBURNE@PAPER.ORG.UK">NFISHBURNE@PAPER.ORG.UK</a>				

**Please follow the guidance notes in the completion of this return**

Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 0330 1093602

You should sent the annual return to the following address stating the name of the union in subject:

For Employers' Associations based in England and Wales: [returns@certoffice.org](mailto:returns@certoffice.org)

For Employers' Associations based in Scotland: [ywm@tcyoung.co.uk](mailto:ywm@tcyoung.co.uk)

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# Return of Members

(see note 9)

Number of members at the end of the year				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (Including Channel Islands)	Totals
72				72

## Change of Officers

Please complete the following to record any changes of officers during the twelve months covered by this return.

Position held	Name of Officer ceasing to hold office	Name of Officer appointed	Date of Change



## Revenue Account / General Fund

(see notes 11 to 16)

Previous Year			£	£
	<b>Income</b>			
1,558,788	From Members	Subscriptions, levies, etc	1,634,021	1,634,021
	Investment income	Interest and dividends (gross)		
16,542		Bank interest (gross)	17,309	17,309
		Other (specify)		
		Total Investment Income	17,309	17,309
	Other Income	Rents received		
		Insurance commission		
269,800		Consultancy fees	276,545	276,545
		Publications/Seminars		
		Miscellaneous receipts (specify)		
156,652		Loans and Liabilities Written Off		
2,001,782		Total of other income		276,545
		<b>Total income</b>		<b>1,927,875</b>
		<b>Interfund Transfers IN</b>		
	<b>Expenditure</b>			
1,042,414	Administrative expenses	Remuneration and expenses of staff	1,164,037	1,164,037
60,482		Occupancy costs	60,976	60,976
8,860		Printing, Stationery, Post	8,399	8,399
8,612		Telephones	11,947	11,947
10,666		Legal and Professional fees	24,031	24,031
		Miscellaneous (specify)		
70,086		IT Expenses	79,243	79,243
766		General Office Expenses	1,124	1,124
1,201,886		Total of Admin expenses		1,349,757
	Other Charges	Bank charges	3,612	3,612
2,627		Depreciation	11,925	11,925
8,660		Sums written off		
362,558		Affiliation fees	364,648	364,648
		Donations		
		Conference and meeting fees	46,411	46,411
		Expenses		
		Miscellaneous (specify)		
104,468		Projects & Campaigns	161,167	161,167
32,233		Communications	32,866	32,866
510,546		Total of other charges		620,629
54,893		Taxation	-5,854	-5,854
1,767,325		<b>Total expenditure</b>		<b>1,964,532</b>
		<b>Interfund Transfers OUT</b>		
234,457		Surplus/Deficit for year		-36,657
1,159,844		Amount of fund at beginning of year		1,394,301
1,394,301		Amount of fund at end of year		1,357,644





**Accounts other than Revenue Account/General Fund**

(see notes 17 to 18)

Account 6		Fund Account	
Name of account:		£	£
<b>Income</b>			
From members			
Investment income			
Other income (specify)			
		<b>Total Income</b>	
<b>Interfund Transfers IN</b>			
<b>Expenditure</b>			
Administrative expenses			
Other expenditure (specify)			
		<b>Total Expenditure</b>	
<b>Interfund Transfers OUT</b>			
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Account 7		Fund Account	
Name of account:		£	£
<b>Income</b>			
From members			
Investment income			
Other income (specify)			
		<b>Total Income</b>	
<b>Interfund Transfers IN</b>			
<b>Expenditure</b>			
Administrative expenses			
Other expenditure (specify)			
		<b>Total Expenditure</b>	
<b>Interfund Transfers OUT</b>			
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	



## Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £
<b>Cost or Valuation</b>				
At start of period	53,819	26,542	23,227	103,588
Additions during period		1,445	1,192	2,637
Less: Disposals				
Less: Depreciation	-43,870	-24,594	-15,647	-84,111
Total to end of period	9,949	3,393	8,772	22,114
<b>Book Amount</b> at end of period	9,949	3,393	8,772	22,114
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
<b>Total of Fixed Assets</b>	9,949	3,393	8,772	22,114

# Analysis of Investments

(see note 22)

Quoted		Other Funds
	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	Total Quoted (as Balance Sheet)	
	Market Value of Quoted Investments	
<b>Unquoted</b>	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted investments (to be specified)	
	Investment in wholly owned subsidiary	91,398
	Total Unquoted (as Balance Sheet)	91,398
	Market Value of Unquoted Investments	

\* Market value of investments to be stated where these are different from the figures quoted in the balance sheet



## Summary Sheet

(see notes 24 to 33)

	All Funds	Total Funds
	£	£
<b>Income</b>		
From Members	1,634,021	1,634,021
From Investments	17,309	17,309
Other Income (including increases by revaluation of assets)	276,545	276,545
<b>Total Income</b>	<b>1,927,875</b>	<b>1,927,875</b>
<b>Expenditure</b> (including decreases by revaluation of assets)		
<b>Total Expenditure</b>	<b>1,964,532</b>	<b>1,964,532</b>
<b>Funds at beginning of year</b> (including reserves)	1,394,301	1,394,301
<b>Funds at end of year</b> (including reserves)	1,357,644	1,357,644
<b>ASSETS</b>		
Fixed Assets		22,114
Investment Assets		91,398
Other Assets		2,745,676
<b>Total Assets</b>		<b>2,859,188</b>
<b>Liabilities</b>		
<b>Total Liabilities</b>		<b>1,501,544</b>
<b>Net Assets (Total Assets less Total Liabilities)</b>		<b>1,357,644</b>

## Notes to the accounts

(see note 34)

All notes to the accounts must be entered on or attached to this part of the return.

SEE THE ACCOUNTING POLICIES IN THE ATTACHED FINANCIAL STATEMENTS

# Accounting policies

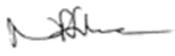
(see notes 35 & 36)

SEE THE ACCOUNTING POLICIES IN THE ATTACHED FINANCIAL STATEMENTS

## Signatures to the annual return

(see notes 37 and 38)

**Including the accounts and balance sheet contained in the return.**

Secretary's Signature: 	Chairman's Signature: 
	(or other official whose position should be stated)
Name: NEIL FISHBURNE	Name: ANDREW LARGE
Date: 04 May 2020	Date: 04 May 2020

## Checklist

(see note 39)

(please enter 'X' as appropriate)

Is the return of officers attached? (see Page 2)	Yes	<b>X</b>	No	
Has the list of officers been completed? (see Page 2A)	Yes	<b>X</b>	No	
Has the return been signed? (see Note 37)	Yes	<b>X</b>	No	
Has the auditor's report been completed? (see Note 41)	Yes	<b>X</b>	No	
Is the rule book enclosed? (see Note 39)	Yes	<b>X</b>	No	
Has the summary sheet been completed? (see Notes 6 and 24 to 33)	Yes	<b>X</b>	No	

## Checklist for auditor's report

(see notes 41 to 44)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate? (See section 36(1) and (2) of the 1992 Act and notes 43 and 44)

Please explain in your report overleaf or attached.

2. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:

- a. kept proper accounting records with respect to its transactions and its assets and liabilities; and
- b. established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.

(See section 36(4) of the 1992 Act set out in note 43)

Please explain in your report overleaf or attached.

3. Your auditors or auditor must include in their report the following wording:

**In our opinion the financial statements:**

- give a true and fair view of the matters to which they relate to.
- have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

## Auditor's report (continued)

ATTACHED

Signature(s) of auditor or auditors:



Name(s):

Steven Fraser (Senior SA)

Profession(s) or Calling(s):

Statutory Auditor

Address(es)

38-42 New port Street  
Swindon  
Willshire  
SN1 3DR

Date:

14 May 2020

Contact name for enquiries and telephone number:

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.



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Document Details:

<b>Filename:</b>	2019 Accounts (2).pdf
<b>Client of:</b>	MHA Monahans

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Signature Details

<b>Name:</b>	Neil Fishburne
<b>Email:</b>	NFishburne@paper.org.uk
<b>Date &amp; Time:</b>	30/04/2020 16:47:52 (BST)
<b>IP Address:</b>	109.145.64.25
<b>Signing Statement:</b>	Neil Fishburne confirms that the information is correct and complete to the best of their knowledge and belief.

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Report of the Directors and  
Financial Statements  
for the Year Ended 31 December 2019  
for  
Confederation of Paper Industries  
Limited

**Confederation of Paper Industries  
Limited**

**Contents of the Financial Statements  
for the Year Ended 31 December 2019**

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**Confederation of Paper Industries  
Limited**

**Company Information  
for the Year Ended 31 December 2019**

**DIRECTORS:** R J W Coward  
P J Willink  
A Large  
N Fishburne  
K J Bussey  
A L MacSween

**SECRETARY:** N Fishburne

**REGISTERED OFFICE:** 1 Rivenhall Road  
Swindon  
Wiltshire  
SN5 7BD

**REGISTERED NUMBER:** 03886916 (England and Wales)

**BANKERS:** Coutts and Co  
440 Strand  
London  
WC2R 0QR

**SOLICITORS:** Thrings LLP  
6 Drakes Meadow  
Penny Lane  
Swindon  
Wiltshire  
SN3 3LL

**Confederation of Paper Industries  
Limited**

**Report of the Directors  
for the Year Ended 31 December 2019**

The directors present their report with the financial statements of the company for the year ended 31 December 2019.

**PRINCIPAL ACTIVITY**

The principal activity of the company (CPI) in the year under review was that of a trade association representing the UK's Paper based industries.

**REVIEW OF BUSINESS**

The results for the year and financial position of CPI are shown in the annexed financial statements.

For the year under review, CPI recorded a loss after tax of £36,657, compared to a profit of £234,457 in 2018. CPI maintained its strong membership base.

No dividend was received from its wholly owned subsidiary in 2019 and CPI made no impairment charge against its investment in its subsidiary during the year - the net book value of the investment remains at £91,398 at the year-end.

The Council and Board of CPI express their thanks to the representatives from Members who continue to give their time to help CPI in its work. Thanks are due also to the staff of CPI for their continued dedication and commitment.

**FUTURE DEVELOPMENTS**

CPI continues to work on developing and implementing our strategic plan for the organisation. We expect 2020 to have a strong focus on the impact of Brexit, Energy policy, and a possible Sector Deal for the Paper-based Industries we represent. CPI will also continue to focus on expanding its membership base.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2019 to the date of this report.

R J W Coward  
P J Willink  
A Large  
N Fishburne  
K J Bussey  
A L MacSween

**LIMITED BY GUARANTEE**

The company is limited by guarantee and therefore has no share capital. The extent of the guarantee of each member is an amount not exceeding £1.

**DIRECTORS INTERESTS**

Details of the directors of the company as defined by the Companies Act 2006 are set out above. As the company is limited by guarantee no director holds shares in the company.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors and 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). Under company law the directors 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 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 accounting estimates that are reasonable and prudent;

The directors are 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. 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Confederation of Paper Industries  
Limited**

**Report of the Directors  
for the Year Ended 31 December 2019**

**AUDITORS**

The auditors, MHA Monahans, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

.....  
N Fishburne - Secretary

Date: .....

**Report of the Independent Auditors to the Members of  
Confederation of Paper Industries  
Limited**

**Opinion**

We have audited the financial statements of Confederation of Paper Industries Limited (the 'company') for the year ended 31 December 2019 which comprise the Income Statement, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's (Union's) affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006 and the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Trade Union and Labour Relations (Consolidation) Act 1992 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

**Report of the Independent Auditors to the Members of  
Confederation of Paper Industries  
Limited**

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

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 and the Trade Union and Labour Relations (Consolidation) Act 1992. 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 a Report of the Auditors 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.

  
Steven Fraser (Senior Statutory Auditor)  
for and on behalf of MHA Monahans  
Statutory Auditor  
Chartered Accountants  
38 - 42 Newport Street  
Swindon  
Wiltshire  
SN1 3DR

Date: 14 May 2020

**Confederation of Paper Industries  
Limited**

**Income Statement  
for the Year Ended 31 December 2019**

	Notes	2019 £	2018 £
<b>TURNOVER</b>		1,910,566	1,828,588
Administrative expenses		1,970,386	1,712,432
		(59,820)	116,156
Other operating income		-	156,652
<b>OPERATING (LOSS)/PROFIT</b>	5	(59,820)	272,808
Interest receivable and similar income		17,309	16,542
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		(42,511)	289,350
Tax on (loss)/profit		(5,854)	54,893
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		(36,657)	234,457

The notes form part of these financial statements

**Confederation of Paper Industries  
Limited (Registered number: 03886916)**

**Balance Sheet  
31 December 2019**

	Notes	2019 £	£	2018 £	£
<b>FIXED ASSETS</b>					
Tangible assets	6		22,114		31,403
Investments	7		91,398		91,398
			<u>113,512</u>		<u>122,801</u>
<b>CURRENT ASSETS</b>					
Debtors	8	341,138		966,070	
Cash at bank		2,404,538		1,841,341	
		<u>2,745,676</u>		<u>2,807,411</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	9	1,481,544		1,515,911	
<b>NET CURRENT ASSETS</b>			<u>1,264,132</u>		<u>1,291,500</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,377,644</u>		<u>1,414,301</u>
<b>PROVISIONS FOR LIABILITIES</b>			20,000		20,000
<b>NET ASSETS</b>			<u><u>1,357,644</u></u>		<u><u>1,394,301</u></u>
<b>RESERVES</b>					
Retained earnings			<u>1,357,644</u>		<u>1,394,301</u>
			<u><u>1,357,644</u></u>		<u><u>1,394,301</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors on ..... and were signed on its behalf by:

.....  
N Fishburne - Director

**Confederation of Paper Industries  
Limited**

**Notes to the Financial Statements  
for the Year Ended 31 December 2019**

**1. STATUTORY INFORMATION**

The Company is a private Company Limited by guarantee and is registered in England and Wales. The address of the Company's registered offices is shown on the company information page.

**2. STATEMENT OF COMPLIANCE**

The financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 Section 1A, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102 1A") and the Companies Act 2006.

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of land and buildings and certain financial assets and liabilities measured at fair value through profit or loss.

The preparation of financial statement in conformity with FRS 102 1A requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The company's functional and presentation currency is the pound sterling.

**Going concern**

The financial statements have been prepared using the going concern basis of accounting.

**Confederation of Paper Industries  
Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019**

**3. ACCOUNTING POLICIES - continued**

**Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered, net of returns, discounts and rebates allowed by the company and value added taxes.

Where the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes a financing transactions, the fair value of the consideration is measured as the present value of all future receipts using the imputed rate of interest.

The Company recognises revenue when the following conditions are satisfied:

- i. the Company has provided the service;
- ii. the amount of revenue can be measured reliably;
- iii. it is probable that the economic benefits associated with the transaction can be measured reliably.

**Sale of services**

Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where a contract has only been partially completed at the balance sheet date turnover represents the fair value of the service provided to date based on the stage of completion of the contract activity at the balance sheet date. Where payments are received from customer in advance of services provided the amounts are recorded as deferred income and included as part of creditors due within one year.

**Interest receivable**

Interest income is recognised using the effective interest method.

**Dividend income**

Dividend income is recognised when the right to receive payment is established.

**Employee benefits**

The company provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

**Short term benefits**

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

**Defined contribution pension plans**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations. The obligations are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

**Tangible fixed assets**

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

**Depreciation and residual values**

Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life as follows:

Short leasehold	- Straight line over the period of the
Fixtures and fittings	- 25% on straight line basis
Computer equipment	- 33% on straight line basis

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any changes is accounted for prospectively.

**Investments**

Investment in subsidiary company is held at cost less accumulated impairment losses.

**Confederation of Paper Industries  
Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019**

**3. ACCOUNTING POLICIES - continued**

**Financial instruments**

**Financial assets**

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the assets original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

**Financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans and overdrafts and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

**Cash and cash equivalent**

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

**Provisions**

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one time included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

**4. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 12 (2018 - 12).

**Confederation of Paper Industries  
Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019**

**5. OPERATING (LOSS)/PROFIT**

The operating loss (2018 - operating profit) is stated after charging:

	2019 £	2018 £
Depreciation - owned assets	11,926	8,661
Auditors' remuneration	8,900	6,812
Auditors' remuneration for non audit work	318	310
Operating leases - Rent	<u>20,500</u>	<u>20,500</u>

**6. TANGIBLE FIXED ASSETS**

	Short leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 January 2019	53,819	26,542	23,227	103,588
Additions	-	1,445	1,192	2,637
At 31 December 2019	<u>53,819</u>	<u>27,987</u>	<u>24,419</u>	<u>106,225</u>
<b>DEPRECIATION</b>				
At 1 January 2019	40,252	23,208	8,725	72,185
Charge for year	3,618	1,386	6,922	11,926
At 31 December 2019	<u>43,870</u>	<u>24,594</u>	<u>15,647</u>	<u>84,111</u>
<b>NET BOOK VALUE</b>				
At 31 December 2019	<u>9,949</u>	<u>3,393</u>	<u>8,772</u>	<u>22,114</u>
At 31 December 2018	<u>13,567</u>	<u>3,334</u>	<u>14,502</u>	<u>31,403</u>

**7. FIXED ASSET INVESTMENTS**

	Other investments £
<b>COST</b>	
At 1 January 2019 and 31 December 2019	<u>867,231</u>
<b>PROVISIONS</b>	
At 1 January 2019 and 31 December 2019	<u>775,833</u>
<b>NET BOOK VALUE</b>	
At 31 December 2019	<u>91,398</u>
At 31 December 2018	<u>91,398</u>

**8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Trade debtors	275,999	865,736
Other debtors	7,787	16,763
Tax	5,854	-
Prepayments	<u>51,498</u>	<u>83,571</u>
	<u>341,138</u>	<u>966,070</u>

**Confederation of Paper Industries  
Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2019**

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Trade creditors	26,569	37,268
Tax	-	54,893
Social security and other taxes	238,480	272,417
Other creditors	50,440	41,516
Deferred income	1,166,055	1,109,817
	<u>1,481,544</u>	<u>1,515,911</u>

During the prior year, the council agreed to write off the outstanding member loans of £155,749.

**10. RELATED PARTY DISCLOSURES**

**The Paper Sector Climate Change Management Co. Limited (TMC)**  
Subsidiary

During the year the company made sales to TMC of £276,545 (2018 - £269,800).

The company owed £19,086 to TMC at the year end and this is included in other creditors (2018: £164,018 amount due from TMC and included within other debtors).

**11. OPERATING LEASE COMMITMENTS**

At the year end the company had total commitments under operating leases as follows:

	2019	2018
	£	£
Due:		
Within one year	36,785	37,912
Between one and five years	58,133	81,728
More than five years	-	-
	<u>94,918</u>	<u>119,640</u>

**12. DEFERRED TAX**

A deferred tax asset resulting from accelerated capital allowances amounting to £1,717 (2018 - £1,898) has not been provided. A tax rate of 19% has been used for 2019 and 2018.

**Confederation of Paper Industries  
Limited**

**Detailed Profit and Loss Account  
for the Year Ended 31 December 2019**

	2019		2018	
	£	£	£	£
<b>Turnover</b>				
Members' subscriptions	1,385,534		1,430,429	
Associate members	15,234		14,649	
Corrugated promotional campaign	161,167		104,468	
Service fees	276,545		269,800	
Training	72,086		9,242	
		1,910,566		1,828,588
<b>Other income</b>				
Sundry receipts	-		156,652	
Deposit account interest	17,309		16,542	
		17,309		173,194
		1,927,875		2,001,782
<b>Expenditure</b>				
Directors' salaries	186,356		177,128	
Directors' social security	23,574		22,043	
Directors' pension contributions	40,357		28,727	
Wages	469,452		475,383	
Social security	54,521		55,205	
Pensions	62,769		52,498	
Personnel costs	37,196		48,353	
Telephone	11,947		8,612	
Printing, postage & stationery	8,399		8,860	
Travelling expenses	106,880		105,672	
Property costs	59,673		59,714	
Repairs and renewals	1,303		768	
Training	98		-	
Subscriptions	366,914		363,745	
Corrugated promotional campaign	161,167		104,468	
Sundry expenses	9		-	
Conferences and courses	46,411		-	
Legal and professional fees	14,813		3,544	
Computer expenses	79,243		70,086	
Publications	32,866		32,233	
Consultants and retained experts	182,834		77,405	
Auditors' remuneration	8,900		6,812	
Auditors' remuneration for non audit work	318		310	
Foreign exchange losses/(gains)	(2,266)		(1,187)	
Entertainment	1,115		766	
		1,954,849		1,701,145
		(26,974)		300,637
<b>Finance costs</b>				
Bank charges		3,612		2,627
		(30,586)		298,010
<b>Depreciation</b>				
Improvements to property	3,618		904	
Computer equipment	8,307		7,756	
		11,925		8,660
<b>NET (LOSS)/PROFIT</b>		(42,511)		289,350

This page does not form part of the statutory financial statements