

Company no. 2649156  
Charity no. 1005417

**Waste Watch**  
**Report and Financial Statements**  
**31 March 2002**

## Waste Watch

### Legal and administrative details

For the year ended 31 March 2002

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<b>Status</b>	The organisation is a charitable company limited by guarantee, incorporated on 26 September 1991 and registered as a charity on 1 November 1991	
<b>Governing document</b>	The organisation was established under a memorandum of association which established the objects and powers of the organisation and is governed under its articles of association.	
<b>Company number</b>	2649156	
<b>Charity number</b>	1005417	
<b>Registered office and operational address</b>	96 Tooley Street London SE1 2TH	
<b>Honorary officers</b>	Jane Stephenson Sue Duckworth Sylvia Levi	Chair Vice Chair Treasurer
<b>Principal staff</b>	Barbara Herridge	Executive Director
<b>Principal bankers</b>	Royal Bank of Scotland Plc London Belgravia Branch 24 Grosvenor Place London SW1X 7HP	
<b>Auditors</b>	Sayer Vincent Chartered accountants and registered auditors 8 Angel Gate City Road London EC1V 2SJ	

## **Waste Watch**

### **Report of the council of management**

#### **For the year ended 31 March 2002**

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The council of management presents its report and the audited financial statements for the year ended 31 March 2002.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with the current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities.

### **Introduction**

The financial year 2001/2002 was one of considerable development and growth for the organisation including internal change resulting from a move of the London office, consolidation of activities into five key areas of work and the completion of a merger between Waste Watch Services Limited (WWSL) and Wastebusters.

The impact of the publication of Waste Strategy 2000 for England and Wales and a new waste strategy for Scotland which had resulted in the implementation of statutory recycling targets for local authorities in the previous year, started to show through. To support the implementation of new recycling initiatives, encouragingly the demand for communication and education programmes continued to increase. Combined with this, guidance to landfill tax distributing organisations to provide more funding for 'Category C' projects supporting Waste Strategy targets meant an increasing focus on projects which would lead to increased recycling. This combined with a demand for better measurement of both outputs and outcomes of projects and a desire for both more comprehensive and more accurate data across the board.

As a result of these developments the year saw an increase in the number of Schools Waste Action Clubs (SWACs) which we operate, more communication work – particularly the development of the National Waste Awareness Initiative with SWAP (Save Waste and Prosper), the commencement of an evaluation project to investigate the impact of our schools work in Essex and Waste Watch's participation in three Biffaward funded 'mass balance' projects investigating and collecting data on resource flows in different sectors.

Internally we started the development of a five-year strategic plan, prepared our first Annual Environmental Report and reorganised our work into five key areas of activity:

- Research and Policy
- Wasteline Information Service
- Education and Communication Campaigns
- Business Consultancy
- Membership

Keen to develop our services to members we started a regular bibliographic mailing provided by the Wasteline Information Service; created a new post to manage membership services and reviewed our membership rates during the year.

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### **Report of the council of management**

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#### **Introduction (continued)**

A packed AGM and lively annual seminar held in December focussed on waste minimisation recognising that whilst there are no statutory targets for reduction and reuse these are key drivers for sustainable resource management. With our attendance at the Waste Summit in November we picked up on this theme and the announcement of a review by the Cabinet Office's Performance & Innovation Unit of Waste Strategy 2000 suggested that encouragingly the agenda continues to move forward.

Our gratitude and thanks go to our colleagues – the staff, volunteers, president and vice presidents and council of management members in working so hard during the year to support our plan. Growth always creates both opportunities and challenges – we faced both in the period. Our thanks in particular go to the management team and our chair Jane Stephenson; the former who showed real commitment in the face of enormous demands on their time in the year and the latter who provided sound guidance and advice and an invaluable sense of continuity for everyone. We could not have achieved the enormous range of activities outlined in this report, without this support and that of our business, central government, other funders and members and supporters, who provide the time, commitment, enthusiasm and money to make a difference.

#### **Basis and values**

Waste Watch is a charity whose inspiration and values derive from a desire to protect the environment by ensuring the sustainable use and disposal of scarce resources, primarily by advocating waste reduction, reuse and recycling of materials – the 3Rs. These values provide the basis of our work with community and voluntary organisations, local authorities, educational institutions, businesses and individual members of the public, all of whom share our desire for an improved environment and the reduction of waste.

#### **Objects of the charity**

The objects of Waste Watch as defined by the Memorandum of Association are:

To advance public education about all aspects of waste generation, waste management and waste recycling, and;

To preserve and protect the physical and natural environment for the public benefit through the promotion of waste reduction, reuse, reclamation and recycling of waste materials.

#### **Highlights of the year 2001-2002**

##### **Rethink Rubbish campaign name unveiled for the National Waste Awareness Initiative, (NWA)**

Rethink Rubbish was unveiled as the first campaign name for the NWA, following extensive consumer research. Six major retailers signed up to promote the brand and message in store through a retail campaign to be run by SWAP with Waste Watch support.

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#### **Highlights of the year 2001-2002 (continued)**

##### **Expansion of Schools Waste Action Clubs**

Following a successful three year project in York, this club expanded throughout North Yorkshire, whilst SWAC Norfolk expanded with the recruitment of a second Education Officer. New clubs were also launched in Lincolnshire, Cheshire and Nottinghamshire and Warley Primary School in Essex achieved a SWAC reduction record with a 79% reduction in waste to disposal as a result of the project.

##### **Environment Minister Michael Meacher encourages everyone to get on board to reach recycling targets at Annual Seminar**

Addressing the annual seminar in December, Michael Meacher stressed the importance of everyone being on board to reach the targets whilst Jean-Marie Savino of Espace Environnement in Belgium showed how they had stabilised waste volumes in the Charleroi region of Belgium in just two years.

##### **New web-based information site gets green light with £160,000 lottery funding**

Waste Watch, together with the Chartered Institute of Wastes Management, (CIWM) and the NWAJ received £160,000 funding from the New Opportunities Fund to create a new web-based information site.

##### **ACCA Award set the scene for the Wastebusters merger with Waste Watch Services Limited**

Environmental consultancy Wastebusters, which completed its merger with WWSL in June 2001, won 'Best SME Reporter' at the ACCA Environmental Reporting Awards 2000 announced in April 2001. This success was followed in the winter by shortlisting of Waste Watch's first environmental report for the 2001 awards.

##### **Cycler the robot reaches 86,415 children with the reduce, reuse, recycle message**

The Cycler outreach workers Wendy Jenkinson, Dave Taggart and Geoff Collett visited 489 schools and performed 542 shows.

##### **No Waste of Money Report outlines options for funding to reach recycling targets**

Waste Watch launched its *No Waste of Money* report which outlined a range of proposals for allocating cash to boost recycling. Written by Dr Dominic Hogg of Eunomia with assistance from the Community Recycling Network, the report aimed to provide new information and analysis to help advance resource productivity and waste management policy for increasing recycling.

## **Waste Watch**

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#### **Waste Alert Network expansion**

Expansion of The Waste Alert network of waste minimisation clubs in London received the go ahead with funding for a new club covering the London boroughs of Barnet, Hillingdon and Harrow, whilst the London Borough of Camden funded the production of a Careless Waste... Costs Money guide for businesses in Camden which was launched at the British Museum.

#### **Focus of Waste Watch work in 2001-2002**

During 2001-2002, Waste Watch's work covered the following areas:

- Research and Policy
- Wasteline Information Service
- Education and Communication Campaigns
- Business Consultancy
- Membership

#### **Research and Policy**

As the leading national organisation campaigning on issues around waste reduction, reuse and recycling, Waste Watch places great importance on effective and innovative research which advances the policy making agenda, together with dialogue with policy makers. As such we carried out a major research project – *No Waste of Money* – which outlined a range of proposals for allocating cash to boost recycling. Funded by Biffaward and the Local Authority Recycling Advisory Committee, (LARAC) the publication of the report was timely as it followed the release of the Government's consultation document on allocating £140 million earmarked for local authorities to assist in meeting national and local recycling targets. The report also looked at other pots of money available, and in particular at the allocation of £49.5 million ring-fenced in the New Opportunities fund for the community sector.

*No Waste of Money* was made available on the Waste Watch website only, to reduce paper usage. Other policy work included attendance at the Waste Summit, participation in a sustainability review of the Greater London Authority draft waste strategy and a Revision Panel for BS5906 which provides guidance on building developments and advice for wastes containment and recycling on site.

#### **Objectives**

- To deliver research on key issues to appropriate policy-makers and partners.
- To contribute to the development of waste strategies which incorporate the aims of Waste Watch.
- To provide support for other parts of the organisation on research and policy issues.

## **Waste Watch**

### **Report of the council of management**

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#### **Achievements**

- *No Waste of Money* report produced - A pdf file of the full report was made available on the Waste Watch website
- Funding was secured and work commenced on three new research projects:
  - Resource Flow Analysis of the Public Sector – for which Waste Watch teamed up with professional management services company Ernst and Young
  - Plastics Mass Balance – in a similar vein to the public sector project this mass balance project aims to map plastics use throughout the UK economy. The project partner is Valuplast
  - Wastebusters work also commenced on The Environmental Footprint of the Financial Sector

All three projects are part of a Biffaward funded series of research projects, being co-ordinated by Forum for the Future and expected to be completed in the next financial year.

Work commenced on an independent research evaluation of the effectiveness of Waste Watch's Schools Waste Action Club, (SWAC) in Essex relative to other waste education programmes in the area.

- A dissertation was completed by SWAC Education Officer, Louise Graham on the effectiveness of SWAC – with a summary of her findings published on the Waste Watch website
- A feasibility study was conducted for the Environment Agency's Eastern Region looking at the feasibility of establishing a new environmental education centre
- Waste Watch continued to contribute to the development of waste strategies both locally and nationally. This included attendance at the Waste Summit, scrutiny of the GLA draft waste strategy and participating in the Waste And Resources Action Programme (WRAP) procurement group
- A research project entitled Planning Affordable recycling commenced during the year which aims to produce a classification and performance evaluation methodology for recycling schemes
- Further research was commenced into new uses of spent toner powder particularly through its use as a dye in plastics manufacture

#### **Wasteline Information Service**

Waste Watch is committed to providing information and advice of the highest quality to all sectors of the community. A key component of this is the Waste Watch Wasteline, a telephone and web-based helpline run from the Waste Watch offices. Since the development of the website, the number of people using this service has increased dramatically from 38,500 in 1998 to over 160,000 in 2001/2.

Waste Watch also delivers information and advice through training events and publications.

Waste Watch works to raise awareness of its work and the 3Rs message through proactive media relations.

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### **Report of the council of management**

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#### **Objectives**

- Wasteline to respond to 8,500 post and phone enquiries
- The information section of the Waste Watch website to receive 30,000 visits
- To gain 12,000 'hits' on the Buy Recycled website which is part of the Waste Watch site
- Wasteline to keep its 33 information sheets up-to-date during the year
- To send out 6 email bulletins to at least 500 contacts during the year
- To update the National Recycling Directory during the year
- To update the Waste Watch website on an ongoing basis
- Produce an updated version of the Recycled Products Guide
- To run 6 training days – 2 'Work at Waste at School' events and 4 other events for local authorities in support of Waste Strategy 2000 targets
- To promote any other Waste Watch publications on an ongoing basis

#### **Achievements**

- Wasteline received 7069 post and phone enquiries
- The information section of the Waste Watch website received over 70,000 visitors
- All 33 information sheets were re-written during the year
- 14 email bulletins were sent out to 1,459 contacts during the year
- Information for the National Recycling Directory was updated during the year but production of the new version was delayed due to IT difficulties
- £160,000 NOF funding was secured to create a new website, to be linked to the Waste Watch website. The site will go live in 2002/3 and is being created in partnership with the CIWM and the NWA. The Waste Watch website was updated on an ongoing basis
- Funding was secured and work started on a new edition of the Recycled Products guide, although this was not completed. A 'Recycled Products for the Garden' leaflet was produced by the Consumer Association 'Which' in conjunction with the NWA and the Environment Agency
- Wasteline researched and produced the reuse section for the Westminster Council Green Guide
- An Online Opinion user analysis system was incorporated into the Waste Watch website, with a very positive response to quality of the website and information provided. Over 1800 ratings received
- 5 Waste Watch training days were run during the year – although due to transport problems on one of the days, one of the training days was used for internal staff only, rather than external delegates. In addition, a programme of 14 training events was developed and run for London Remade
- We sold 87 copies of our other publications during the year



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#### **Education and communication campaigns**

Waste Watch runs a highly-regarded programme of work for teachers and children in primary and secondary schools in the UK. Work with schools aims to provide educational opportunities around the 3Rs, tied in to the National Curriculum. The Dustbin Pack is a free pack for teachers of 7 to 11 year-olds packed with worksheets, teachers notes and posters.

ReCyclerbility features Cycler the rapping robot which visits schools around the country with a recycling rap aimed at entertaining children while teaching them about the 3Rs. Cycler is actually three robots and their supportive education officers, Geoff Collett, Wendy Jenkinson and Dave Taggart.

Schools Waste Action Clubs (SWACs) are based in local authority areas and aim to promote waste activities in schools that meet National Curriculum targets in areas such as geography, maths, science and citizenship. The project encourages children to examine their own school's waste and find solutions such as waste-free lunches and paper recycling, to reduce the amount of waste going to landfill.

Finally, the education team delivers training for people who work with schools on environmental issues through Work at Waste at School training days and is developing a Waste Education Support Programme (WESP) to train others to deliver waste activities in schools.

#### **Objectives for education**

- Distribute 1,000 copies of the new Dustbin Pack by the end of the year
- Produce a new version of the Wise up to Waste pack and distribute 500 copies
- Produce 2000 copies of a new edition of Work at Waste at School and distribute 500 copies
- Cycler the robot to visit 100,000 schoolchildren at 650 schools
- Issue 100,000 copies of the Cycler Activity book
- Design a new publication for 6th formers and undergraduates
- Run 2 Work at Waste at School training events

#### **Achievements**

- 1,501 Dustbin Packs distributed to schools
- A new version of the Wise up to Waste pack was not produced because new material will be made available on the new NOF funded website. 169 copies of the previous pack were distributed
- Similarly a new version of Work at Waste at School was not produced as we decided to reduce paper usage and make it available on the new website later in 2002 – 123 copies of the old version were distributed
- Three education officers for Cycler visited 489 schools with the rapping robot and presented 542 shows to 86,415 pupils
- 86,415 copies of the Cycler Activity book were distributed
- A new publication for 6th formers and undergraduates was not produced – but a new Schools Waste Action Club in Cheshire commenced with a focus on secondary and tertiary pupils. This will be used to develop new materials appropriate to this group
- 2 Work at Waste at School training events took place
- York SWAC came to the end of its 3-year pilot and was expanded to cover the whole of North Yorkshire. An additional (part-time) Education Officer was employed
- Suffolk SWAC came to the end of a successful first year – the local authority now runs the programme
- 3 new SWACs were started in Lincolnshire, Cheshire and Nottinghamshire

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#### **Training activities**

Waste Watch completed a pilot training and awareness campaign for London Remade in the Thames Gateway area of London. This work focussed on awareness raising events in support of the development of markets for recycled materials.

#### **Communication campaigns**

At a national level together with SWAP, Waste Watch has the managing agency for the National Waste Awareness Initiative, (NWA). During the year further funding was secured and the initiative worked on its first two campaigns – Rethink Rubbish – a retailer led campaign, and Waste Open Week – working with waste management companies.

At a regional level a 5-year waste awareness, communication and education campaign was secured in West London – in the four boroughs of Hammersmith and Fulham, Kensington and Chelsea, Wandsworth and Lambeth – Western Riverside Waste Authority, (WRWA). The initiative builds on work which Waste Watch has already carried out in this field and provides an excellent opportunity over a long period of time to make a real difference.

During this year we continued our association with ECT Recycling and Lambeth Community Recycling to whom we were contracted to provide communications and marketing support to promote greater take-up of recycling facilities. Other activities in this field included the award of additional research work for West London Waste Authority and the communication of an organic waste collection trial.

Communication also encompasses planning for and promotion of our own activities and projects and in the year we far exceeded our targets in this area.

#### **Objectives for communication**

- Work with NWA to produce a campaign title and brand and secure funding for a launch of the same later in 2002
- Gain support from 40 local authorities to use the branding locally
- To produce a best practice Toolkit guide on effective promotional campaigns and how local campaigns can link in to the NWA
- Achieve 200 media articles in the year (including 10 on the launch of the NWA brand)

#### **Achievements for communication**

- The NWA Rethink Rubbish brand was developed and launched in London, Bristol and Leeds in time for use of the brand on a retail campaign to be launched later in 2002
- Support from around 1,000 organisations for the NWA with 3 local authorities confirmed to use the Rethink Rubbish brand
- Waste Watch participated in a 'Cultural Change' working group developed by The Environment Council which started work on the development of a toolkit
- Achieved 415 media articles and responded to additional press enquiries

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### **Western Riverside Communication Campaign**

This five year communication campaign will focus on public awareness raising and education as a means of encouraging and achieving waste minimisation and increased recycling.

### **Business Services**

#### **Waste Watch Services Limited**

During 2000-2001 Waste Watch moved towards increasing the amount of consultancy work provided to partners as a way of increasing the variety of income for the organisation. To this end the year saw Waste Watch's trading company – Waste Watch Services Ltd., merge with the London based environmental consultancy Wastebusters. Activities of Business Services fall into two main areas:

- Waste Alert Clubs – a network of environmental business clubs within London
- Wastebusters consultancy – environmental consultancy services providing businesses with specialist expertise and practical advice to develop and implement effective environmental programmes and initiatives, results in cost savings, environmental benefits and staff involvement

#### **Achievements for business services**

- Bromley and Bexley Club published the first *Careless Waste ....Costs Money* guide for businesses to save money through waste reduction. In the Bromley and Bexley Club members had saved £75,000
- The British Museum, North London Club member was host to the launch of the *Careless Waste .... Costs Money* guide for businesses in Camden. Funded by the London Borough of Camden and launched by Samantha Heath, Greater London Authority environment committee chair, this document was the third in the Careless Waste series to be produced by the Waste Alert Clubs
- Funding was also secured for a new club in West London during the year
- On the consultancy side, Wastebusters won 'best SME reporter' at the ACCA Environmental Reporting awards for its 2000 environmental report, whilst towards the end of the year Waste Watch's first environmental report was shortlisted for the 2001 awards
- Other achievements in the period included work on the City Waste Club. This project sought to identify and reduce the environmental impacts of a number of businesses in London's Square Mile. Work was also completed on a feasibility study which looked at an alternative to traditional road and rail options for the movement of cardboard from central London, taking advantage of the existing waterways within the capital. Marks & Spencer, in conjunction with British Waterways, Cleanaway and Thames 21 commissioned Wastebusters to carry out a feasibility study to investigate the potential for transfer by waterway of used cardboard packaging to reprocessors for recycling

### **Membership**

Waste Watch's members come from all sectors of the community including small and large businesses, local authorities, national and local community organisations and individuals. Members are important for the governance of Waste Watch which is achieved through the Annual General Meeting and regular meetings of its council of management. All the Waste Watch trustees are members of Waste Watch.

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#### **Objectives**

- Increase membership by 15% over the year
- Reprint the Business Members display panels
- Reprint the membership leaflet
- Explore new membership services
- Publish four editions of Waste Watch Review, our members' newsletter
- Hold the Waste Watch AGM and Annual Lecture

#### **Achievements**

- We increased income from membership by 61% over the financial year
- The Business Members display panels were reproduced so that they became a separate part of the standard Waste Watch exhibition display, thus allowing for easier updating
- Two new membership leaflets were produced – a general membership leaflet and a business members leaflet
- We developed a new service for members – a regular bibliographic listing which is emailed to members fortnightly. The mailing is a round up of coverage of waste reduction, reuse and recycling issues in key journals over the period
- We also reviewed and streamlined our membership rates during the year and dedicated a regular page of Waste Watch Review to members, articles, comment and spotlight
- Four editions of Waste Watch Review were produced and mailed to members
- The AGM and Annual Seminar was held on 6th December at Westminster Central Hall, London – with the theme of waste minimisation. Clare Atkinson, Waste Minimisation Officer from Lancashire County Council's waste minimisation team, and Jean-Marie Savino from the Belgian environmental NGO Espace Environnement led the discussion on how to achieve waste minimisation. Environment Minister Michael Meacher also addressed the seminar and took questions from delegates, including questions on the £140 million fund earmarked for English local authority initiatives – the waste minimisation and recycling fund

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#### **Waste Watch Organisation and Corporate Governance**

Waste Watch is a company limited by guarantee and a registered charity. Its governing instrument is the Memorandum and Articles of Association as adopted by the resolution passed on the 18 September 1991. Its governing body is a council of management whose members are elected by the members of the company and nominees from the previous council of management.

On 31 March 2002 the council of management comprised thirteen members. The council of management meets four times a year, and is assisted by one committee – the finance and personnel sub-committee, which meets bi-monthly and comprises of three council members, including the chair and treasurer. This committee oversees financial management and the conduct of personnel and equal opportunities matters. It reports to the full council of management at its quarterly meetings. Full council meetings consider reports from the executive director, and guide the executive director and other officers on the implementation of policies and courses of action, and considers recommendations for action from the executive director.

All members of the council of management have access to the advice and services of the company secretary.

#### **Objectives**

- To start work on a five year strategy for Waste Watch
- To hold a staff 'Away Day' for team-building and creating a greater knowledge of the organisation and wider issues in the field

#### **Achievements**

- Following a joint council of management/management team strategic planning day a sub-group of the council was formed to take the strategic plan forward. A final draft was prepared over the course of the year
- All staff who were able to, attended the Waste Watch AGM and annual seminar on 6th December followed by an Away Day on the 7th December
- Health and Safety training also took place for the education team and three induction days were held for new staff
- An internal communications strategy was written

#### **Finance**

##### **Review of transactions & financial position**

The Statement of Financial Activities on page 19 shows that the incoming resources for the year ended 31 March 2002 were £3,597,274 giving rise to overall net incoming resources for the year of £1,895,286.

## **Waste Watch**

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#### **Funds**

The organisation has a number of funds whose purposes are outlined in note 16 to the financial statements.

The worsening position on unrestricted reserves over the year is a reflection of the growth and changes being experienced by the organisation. In particular two transfers from unrestricted funds to cover the write off costs of Sharing Resources (a completed project) and Wasteline for which funding was delayed, contributed to this position. However, the deficit was mainly caused by the significant growth being experienced by the organisation and the need for central support and development costs being incurred before the subsequent income from new projects and increased trading activity has materialised. It is a priority for the organisation to redress this position in the fiscal year 2002/03.

#### **Reserves**

In the financial year 1999/2000 the trustees reviewed the current and known future commitments of the charity and following this review, determined that in order to meet contingencies and any unexpected shortfalls in income, an acceptable level of unrestricted reserves is three months of core running costs. The plan to achieve this was initiated in 1999/2000 with the objective of reaching this position by 31 March 2002. The trustees reviewed this policy in the current financial year – 2001/2002 - and concluded that this policy and plan was still valid. With unrestricted reserves standing at (£40,609) we did not reach the target of three month's reserves as anticipated but will retain this target with the aim of meeting it within the next 2 years.

#### **Latest Developments**

Prior to signing these financial statements the review by the Cabinet Office's Performance & Innovation Unit of Waste Strategy 2000 (referred to in the introduction to this report) has been completed.

Included in the review report from the now 'Strategy Unit', are a number of recommendations which, if implemented immediately, will affect Waste Watch in the forthcoming year and beyond. The most significant of these is a recommendation for a major reform of the Landfill Tax Credit Scheme, through which many of Waste Watch's projects are funded. This reform was endorsed in the Pre-Budget Report 2002. The recommendation is for one third of the landfill tax credits available to remain under the current scheme, two thirds of the funds to be transferred into a new public expenditure scheme. Guidance from HM Customs and Excise of 20 December 2002, also confirmed that from 1 April 2003 landfill site operators would no longer be able to claim any credit for a contribution to a project under categories 'C' and 'CC', into which all of Waste Watch's landfill tax funded projects currently fall.

Until further information is available about the nature of the new public expenditure scheme, and the timing of its implementation it is not practical to estimate the effect of this change.

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#### **Risk statement**

The council of management has undertaken a review of the risks faced by the charity. Measures are being put in place to mitigate those risks that have been identified.

#### **Auditor**

In accordance with Section 384 of the Companies Act 1985, resolutions proposing the re-appointment of Sayer Vincent as auditors of the Company and to authorise the council of management to fix their remuneration, was put to members at the Annual General Meeting on 27 September 2002 and approved.

#### **Members of the council of management**

A list of council of management members who have served during the year is given on page 17.

The council wishes to record its appreciation of the service given by all retiring members of the council during the period.

#### **Equal opportunities**

Waste Watch is committed to ensuring equality of opportunity for its staff and volunteers and in the delivery of the services we provide to the wider community. We are committed to taking positive action to combat direct and indirect discrimination in all areas of our work.

Waste Watch believes that selection and promotion should be based solely on ability to meet the requirements of the post. Our aim is to remove discrimination, provide equal access to jobs and training and to ensure that all staff and volunteers enjoy fully the benefits of working for the organisation.

In particular Waste Watch is committed to preventing discrimination on the grounds of age, colour, race, creed, gender, marital status, nationality, national origin, ethnic origin, disability, sexual orientation, HIV antibody status, AIDS or ARC (AIDS related complex).

Waste Watch continues to monitor progress in this area and an Equal Opportunities report was prepared towards the end of the year.

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#### **Special acknowledgements**

The council of management wishes to record its appreciation to all Waste Watch staff for their continuing hard work and commitment to Waste Watch and in addition to Lesley Millett, MBE who established the Wastebusters Consultancy which was merged with WWSL during the year.

The council also wishes to thank volunteers who gave their time to Waste Watch during this period. In particular we wish to thank Paul Diverres, a long-term volunteer with the Waste Watch Wasteline.

The council of management wishes to record its appreciation of the support for Waste Watch given by all funders, sponsors and members for their financial support, in particular:

Core funding for Waste Watch and project funding for the National Waste Awareness Initiative provided by the Department for Environment, Food and Rural Affairs' Environmental Action Fund.

Donations made via the Landfill Tax credits scheme, under the 1996 Landfill Tax Regulations from the following : Biffaward; Cleanaway Ltd; Cory Environmental; EB Nationwide; Norfolk Environmental Waste Services, (NEWS); Suffolk Environment Trust; SITA Environmental Trust; Waste Recycling Environmental, (WREN) and Yorventure.

Continuing support for the free distribution of The Dustbin Pack, Wise Up To Waste and Waste Today educational resources provided by Coca-Cola Great Britain.



## Waste Watch

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#### Special acknowledgements (continued)

During 2001/2002, other project funding, sponsorship, help in kind and Business Sponsors Group support has been gratefully received from:

Alliance for Beverage Cans and the Environment	London Borough of Bexley
Ashfield District Council	London Borough of Bromley
Aylesford Newsprint	London Borough of Camden
BAA Heathrow	London Borough of Haringey
Baco	London Borough of Harrow
Biffa Waste Services	London Borough of Hillingdon
British Glass Recycling Company	London Borough of Islington
British Polythene Industries Plc.	London Recycling Ltd.
Boston Borough Council	London Waste Ltd.
Breckland District Council	London Waste Action
Broadland District Council	Mansfield District Council
Broxtowe Borough Council	New Opportunities Fund
British Polythene Industries plc	Newark & Sherwood District Council
Cheshire County Council	Norfolk County Council
Cheshire Recycling Ltd.	Norfolk Environmental Waste Services
The City of Lincoln Council	Norfolk County Council
The City of Nottingham Council	North Kesteven District Council
The City of York Council	North Norfolk District Council
Cleanaway Ltd.	North Yorkshire County Council
Coca-Cola Great Britain and Ireland	Nottinghamshire County Council
Corus Steel Packaging Recycling	Onyx Environmental Group
Cory Environmental Ltd.	Paperback Ltd.
Difpak Ltd.	Plysu Recycling
The Directory Recycling Scheme	PVAXX Research & Development Ltd
East Lindsey District Council	Rushcliffe Borough Council
ECT Recycling	Service Team Ltd.
Environment Agency	Severn Waste Services Ltd.
Essex County Council	Severnside Waste Paper Ltd.
Finsbury Park Partnership	Rainbow Stores
FOCSA Services (UK) Ltd.	Severnside Recycling Ltd.
Gedling Borough Council	Shanks
Glaxo Welcome	South Kesteven District Council
Great Yarmouth Borough Council	South Norfolk District Council
Hampshire Waste – INTEGRA	South Holland District Council
Harrow Agenda 21	Southend-on-Sea Borough Council
Hemmings Waste Management Ltd.	Thames Water
INCPEN	Thurrock Council
Jefferson Smurfit Group	Valpak Ltd.
Kings Lynn & West Norfolk Borough Council	Viridor Waste Management
Local Authority Recycling Advisory Committee (LARAC)	Waste Recycling Environmental
Lincolnshire County Council	Waste Tyre Solutions
Linpac Plastics Ltd.	West Lindsey District Council
London Borough of Barnet	Yorventure
	Yorwaste

## Waste Watch

### Report of the council of management

For the year ended 31 March 2002

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#### Statement of responsibilities of the council of management

The council of management is required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the group and charity and the incoming resources and application of resources, including the net income or expenditure, of the group for the year. In preparing those financial statements the council of management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

#### Members of the council of management

The members of the council of management, who are also trustees under charity law, who served during the year and up to the date of this report were as follows:

Jane Stephenson	The Recycling Consortium	Chair
Sue Duckworth	Richmond Eco Action	Vice Chair
Sylvia Levi	FSA	Treasurer
Christopher Coggins	Sheffield University (elected to represent "Other" members)	appointed 6th December 2001
Karen Houghton	SWAP (elected to represent "Local community groups")	appointed 6th December 2001
Andrew Lappage	North London Waste Authority (elected to represent "Local authorities")	appointed 6th December 2001
Peter Mansfield	Cheshire Recycling (elected to represent "The Reclamation industry")	appointed 6th December 2001
Nick Francis	Avon FoE	
Peter Jones	Biffa Waste Services Ltd.	
Colin Kirkby	LARAC	
Gill Kerr	T-Mobile	
Christianne Dorian	WWF-UK	co-opted 6th December 2001
Liz Green	Centre for Sustainable Energy	co-opted 6th December 2001
Lewis Herbert	Cambridgeshire County Council	resigned 6th December 2001
David Davies	David Davies Associates	resigned 6th December 2001
Colin Nineham	Eden Charity Recycling	resigned 6th December 2001

## **Waste Watch**

### **Report of the council of management**

**For the year ended 31 March 2002**

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#### **Appointment of members of the council of management**

Members of the council of management are nominated by the resigning council for appointment at the Annual General Meeting. They shall serve for one year to the subsequent Annual General Meeting when they automatically retire. Retiring council members can be re-elected. There shall be no less than 8 and no more than 20 council members.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2002 was 410 (2001 - 412).

Members of the council of management have no beneficial interest in the group or charity.

#### **Auditors**

Sayer Vincent were re-appointed as the group and charity's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the council of management on 28 January 2003 and signed on its behalf by



Stephen Bentley  
Secretary



Sylvia Levi  
Treasurer

## Independent auditors' report

### To the Members of

### Waste Watch

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We have audited the financial statements of Waste Watch for the year ended 31 March 2002 which comprise the consolidated statement of financial activities, balance sheets and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

#### **Respective responsibilities of the council of management and auditors**

The responsibilities of the council of management (who are also directors of Waste Watch for the purposes of company law) for preparing the Report of the council of management and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the statement of Responsibilities of the council of management. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the report of the council of management is not consistent with the financial statements, if the group and charitable company have 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 the council of management's remuneration and transactions with the group and charitable company is not disclosed.

We are not required to consider whether the statement in the report of the council of management concerning the major risks to which the group and charitable company are exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the group and charitable company's risk management and control procedures.

We read other information contained in the report of the council of management and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

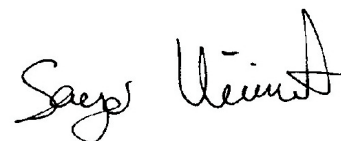
#### **Basis of opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards 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 council of management in the preparation of financial statements, and of whether the accounting policies are appropriate to the group and charitable 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 of the group and charitable company's state of affairs as at 31 March 2002 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**SAYER VINCENT**  
Chartered accountants & registered auditors  
London

## Waste Watch

### Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2002

	Note	Restricted £	Unrestricted £	2002 Total £	2001 Total £
<b>Incoming resources</b>					
Donations, legacies & similar incoming resources	2	198,000	3,071	<b>201,071</b>	124,465
<i>Activities in furtherance of the charity's objects:</i>	3				
Research Policy and Information		424,371	-	<b>424,371</b>	268,371
Education and Training		607,564	-	<b>607,564</b>	403,231
Western Riverside Waste Authority		1,975,000	-	<b>1,975,000</b>	-
NWA		91,388	-	<b>91,388</b>	149,695
Membership		-	34,813	<b>34,813</b>	21,675
Training and Conferences		-	13,322	<b>13,322</b>	13,188
Publications		-	2,929	<b>2,929</b>	13,018
<i>Activities to generate funds:</i>					
Consultancy and Contracts		-	-	-	59,615
Waste Watch Services Ltd		-	239,888	<b>239,888</b>	-
Investment Income		6,928	-	<b>6,928</b>	-
Other Income		-	-	-	8,973
<b>Total incoming resources</b>		<b>3,303,251</b>	<b>294,023</b>	<b>3,597,274</b>	<b>1,062,231</b>
<b>Resources expended</b>					
<i>Costs of generating funds:</i>	4				
Fundraising and Publicity		-	26,045	<b>26,045</b>	22,680
Waste Watch Services Ltd		-	152,066	<b>152,066</b>	-
		-	178,111	<b>178,111</b>	22,680
<i>Charitable expenditure</i>	5				
Research Policy and Information		433,501	-	<b>433,501</b>	382,282
Education and Training		548,813	-	<b>548,813</b>	388,195
Western Riverside Waste Authority		123,808	-	<b>123,808</b>	-
NWA		91,438	-	<b>91,438</b>	149,982
Core Project		198,000	90,817	<b>288,817</b>	109,902
Management and Administration		-	37,500	<b>37,500</b>	61,340
<b>Total resources expended</b>		<b>1,395,560</b>	<b>306,428</b>	<b>1,701,988</b>	<b>1,114,381</b>
<b>Net incoming resources before gains &amp; transfers</b>	6	1,907,691	(12,405)	<b>1,895,286</b>	(52,150)
Gross transfers between funds		18,807	(18,807)	-	-
<b>Net movement in funds</b>		1,926,498	(31,212)	<b>1,895,286</b>	(52,150)
<b>Funds at the start of the year</b>		<b>155,225</b>	<b>(9,397)</b>	<b>145,828</b>	<b>197,978</b>
<b>Funds at the end of the year</b>		<b>2,081,723</b>	<b>(40,609)</b>	<b>2,041,114</b>	<b>145,828</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 16 to the financial statements.

## Waste Watch

### Balance sheets

31 March 2002

	Note	The group		The charity	
		2002 £	2001 £	2002 £	2001 £
<b>Fixed assets</b>					
Tangible fixed assets	9	16,596	-	13,834	-
Investments	10,11	-	-	3	-
		<u>16,596</u>	<u>-</u>	<u>13,837</u>	<u>-</u>
<b>Current assets</b>					
Stock	12	5,921	5,520	5,921	5,520
Debtors	13	409,404	193,216	411,956	193,216
Short term deposits		1,500,000	-	1,500,000	-
Cash at bank and in hand		<u>401,987</u>	<u>140,825</u>	<u>373,965</u>	<u>140,825</u>
		<b>2,317,312</b>	<b>339,561</b>	<b>2,291,842</b>	<b>339,561</b>
<b>Creditors: amounts due within 1 year</b>	14	<u>292,794</u>	<u>193,733</u>	<u>264,562</u>	<u>193,733</u>
<b>Net current assets</b>		<u>2,024,518</u>	<u>145,828</u>	<u>2,027,280</u>	<u>145,828</u>
<b>Net assets</b>	15	<u>2,041,114</u>	<u>145,828</u>	<u>2,041,117</u>	<u>145,828</u>
<b>Funds</b>					
Restricted funds	16				
Funds in surplus		2,095,476	174,508	2,095,476	174,508
Funds in deficit		(13,753)	(19,283)	(13,753)	(19,283)
Unrestricted funds		<u>(40,609)</u>	<u>(9,397)</u>	<u>(40,606)</u>	<u>(9,397)</u>
<b>Total funds</b>		<u>2,041,114</u>	<u>145,828</u>	<u>2,041,117</u>	<u>145,828</u>

Approved by the council of management on 28 January 2003 and signed on its behalf by



Stephen Bentley  
Company Secretary



Sylvia Levi  
Treasurer

**Waste Watch**

**Cashflow statement**

**For the year ended 31 March 2002**

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	2002 £	£	2001 £
<b>Net cash flow from operating activities</b>	<b>1,773,192</b>		17,008
<b>Returns on investments &amp; servicing of finance</b>			
Interest received	<u>6,928</u>		-
		<b>6,928</b>	-
<b>Capital expenditure &amp; financial investment</b>			
Acquisition of tangible fixed assets	<u>(18,958)</u>		-
		<b>(18,958)</b>	-
<b>Management of liquid resources</b>			
Purchase of short term investments	<u>(1,500,000)</u>		-
		<u><b>(1,500,000)</b></u>	-
<b>Net cash flow</b>		<u><b>261,162</b></u>	<u>17,008</u>

## Waste Watch

### Cashflow statement

For the year ended 31 March 2002

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#### Notes to the cashflow statement

##### 1. Reconciliation of net incoming resources to net cash flow from operating activities

	2002 £	2001 £
Net incoming/(outgoing) resources for the year	1,895,286	(52,150)
Interest received	(6,928)	-
(Increase)/decrease in debtors	(216,188)	(8,592)
(Increase)/decrease in stock	(401)	401
Increase/(decrease) in creditors	99,061	70,121
Depreciation	2,362	7,228
	<u>1,773,192</u>	<u>17,008</u>
Net cash flow from operating activities	<u>1,773,192</u>	<u>17,008</u>

##### 2. Analysis of change in net funds

	At 1 April 2001 £	Cash flows £	At 31 March 2002 £
Cash at bank and in hand	140,825	261,162	401,987
Current asset investments	-	1,500,000	1,500,000
	<u>140,825</u>	<u>1,761,162</u>	<u>1,901,987</u>
Net funds	<u>140,825</u>	<u>1,761,162</u>	<u>1,901,987</u>

##### 3. Reconciliation of net cash flow to movement in net funds

	2002 £	2001 £
Net funds at year start	140,825	123,817
Increase/(decrease) in cash in period	261,162	17,008
Cash to acquire current asset investments	1,500,000	-
	<u>1,761,162</u>	<u>17,008</u>
Change in net funds	<u>1,761,162</u>	<u>17,008</u>
Net funds at year end	<u>1,901,987</u>	<u>140,825</u>



## Waste Watch

### Notes to the financial statements

#### For the year ended 31 March 2002

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##### 1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 1985. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in October 2000).

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Waste Watch Services Limited on a line by line basis. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 230 of the Companies Act 1985 and paragraph 304 of SORP 2000.

- b) Voluntary income received by way of subscriptions, donations and gifts to the charity is included in full in the statement of financial activities when receivable. Intangible income is recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.
- c) Grants are recognised in full in the statement of financial activities in the year in which they are receivable.
- d) Income generated from the supply of goods or services is included in the statement of financial activities in the period in which the supply is made.
- e) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Research Policy and Information	17%
Education and Training	51%
Western Riverside Waste Authority	10%
NWAI	7%
Core Project	12%
Management and administration	3%

Management and administration costs include the management of the charitable company's assets, organisational management and compliance with constitutional and statutory requirements.

## Waste Watch

### Notes to the financial statements

#### For the year ended 31 March 2002

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##### 1. Accounting policies (continued)

- f) The costs of generating funds relate to the costs incurred by the group and charitable company in raising funds for the charitable work.
- g) Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	3 years
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Items of equipment are capitalised where the purchase price exceeds £1,500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

- h) Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of management and support costs.
- i) Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.
- j) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.
- k) Investments held as fixed assets are revalued at mid-market value at the balance sheet date. The gain or loss for the period is taken to the statement of financial activities.
- l) Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.
- m) Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the balance sheet date.
- n) The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

## Waste Watch

### Notes to the financial statements

#### For the year ended 31 March 2002

#### 2. Donations, legacies and similar incoming resources

	Restricted £	Unrestricted £	2002 Total £	2001 Total £
Environmental Action Fund	198,000	-	<b>198,000</b>	109,902
Other Donations	-	3,071	<b>3,071</b>	14,563
Total	<u>198,000</u>	<u>3,071</u>	<u><b>201,071</b></u>	<u>124,465</u>

#### 3. Activities in furtherance of the charity's objects

	Restricted £	Unrestricted £	2002 Total £	2001 Total £
<b>Research Policy and Information</b>				
Cleanaway - Wasteline	62,000	-	<b>62,000</b>	51,000
NOF - Waste Online	32,389	-	<b>32,389</b>	-
Environment Council	-	-	-	46,060
Environment Agency Feasibility Study	4,450	-	<b>4,450</b>	-
Biffaward - Plastics Mass Balance	113,989	-	<b>113,989</b>	-
Biffaward - Public Sector Mass Balance	140,474	-	<b>140,474</b>	-
Biffaward - No Waste of Money	29,385	-	<b>29,385</b>	-
Biffaward - Toner Powder	6,222	-	<b>6,222</b>	129,075
Biffaward - Planning Affordable Recycling	25,504	-	<b>25,504</b>	-
Biffaward - Recycled Product Guide	9,958	-	<b>9,958</b>	-
Civic Trust (EAF) - 3Rs Projects	-	-	-	42,236
	<u>424,371</u>	<u>-</u>	<u><b>424,371</b></u>	<u>268,371</u>
<b>Education and Training</b>				
Yorventure - SWAC North Yorkshire	92,669	-	<b>92,669</b>	16,000
Suffolk Environmental Trust - SWAC Suffolk	35,260	-	<b>35,260</b>	123,559
Cory - SWAC Bexley	39,255	-	<b>39,255</b>	-
NEWS - SWAC Norfolk	44,503	-	<b>44,503</b>	14,345
Norfolk C.C. - SWAC Norfolk	44,503	-	<b>44,503</b>	14,345
WREN - SWAC Lincolnshire	86,200	-	<b>86,200</b>	19,023
WREN - SWAC Nottinghamshire	60,920	-	<b>60,920</b>	-
Greening Greater Manchester - SWAC Stockport	-	-	-	35,000
WREN - SWAC Cheshire	19,831	-	<b>19,831</b>	-
London Remade - Training and Awareness	27,781	-	<b>27,781</b>	-
Biffaward - Cyclor	156,642	-	<b>156,642</b>	180,959
	<u>607,564</u>	<u>-</u>	<u><b>607,564</b></u>	<u>403,231</u>

## Waste Watch

### Notes to the financial statements

For the year ended 31 March 2002

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#### 3. Activities in furtherance of the charity's objects (cont'd)

	Restricted £	Unrestricted £	2002 Total £	2001 Total £
<b>Western Riverside Waste Authority</b>				
Cory	<u>1,975,000</u>	<u>-</u>	<u>1,975,000</u>	<u>-</u>
<b>NWAI</b>				
EAF (DEFRA)	51,388	-	<b>51,388</b>	55,483
ESART	2,000	-	<b>2,000</b>	-
Save Waste and Prosper	24,000	-	<b>24,000</b>	-
CSS	5,000	-	<b>5,000</b>	-
Ealing Community Transport	9,000	-	<b>9,000</b>	-
Other donations	<u>-</u>	<u>-</u>	<u>-</u>	94,212
Total	<u>91,388</u>	<u>-</u>	<u>91,388</u>	<u>149,695</u>

#### 4. Costs of generating funds

	Restricted £	Unrestricted £	2002 Total £	2001 Total £
Staff Costs	-	110,759	<b>110,759</b>	22,680
Other Costs	<u>-</u>	<u>67,352</u>	<u>67,352</u>	<u>-</u>
	<u>-</u>	<u>178,111</u>	<u>178,111</u>	<u>22,680</u>

Waste Watch

Notes to the financial statements

For the year ended 31 March 2002

5. Charitable expenditure

	Research Policy and Information	Education and Training	Western Riverside Waste	NWAI	Core Project	Management and administration	2002 Total	2001
	£	£	£	£	£	£	£	£
Staff Costs	108,327	325,335	63,962	44,234	76,809	17,860	636,527	522,238
Other Staff Costs	1,936	44,232	1,310	1,867	14,612	-	63,957	70,446
Consultancy	174,243	3,684	1,475	12,733	9,301	-	201,436	112,932
Volunteers Expenses	128	-	-	30	1,097	-	1,255	552
Trustees Expenses	4	-	-	-	864	-	868	858
Office Costs	59,472	134,932	10,651	22,236	123,144	9,640	360,075	256,427
Legal and Professional Fees	5,964	7,544	514	640	4,461	10,000	29,123	8,503
ENTRUST Fees	1,020	785	39,500	-	-	-	41,305	6,672
Bank charges & interest	20	-	-	-	-	-	20	223
Premises Costs	59,722	18,414	5,444	4,692	45,873	-	134,145	80,031
Irrecoverable VAT	21,663	7,368	952	5,006	12,576	-	47,565	32,819
Cycler Maintenance	-	6,080	-	-	-	-	6,080	-
AGM Costs	-	-	-	-	80	-	80	-
Depreciation	1,002	439	-	-	-	-	1,441	-
	433,501	548,813	123,808	91,438	288,817	37,500	1,523,877	1,091,701

## Waste Watch

### Notes to the financial statements

#### For the year ended 31 March 2002

#### 6. Net incoming resources for the year

This is stated after charging / crediting:

	2002	2001
	£	£
Depreciation	2,362	7,228
Council of managements' remuneration	-	-
Council of managements' reimbursed expenses	868	858
Auditors' remuneration:		
▪ Audit	15,000	3,500
▪ Under accrual for previous year	2,500	-
Operating lease rentals:		
▪ Property	<u>37,459</u>	<u>20,440</u>

The council of management's expenses were for travel and subsistence and related to 3 members of the council of management.

#### 7. Staff costs and numbers

Staff costs were as follows:

	2002	2001
	£	£
Salaries and wages	638,231	484,170
Social security costs	53,421	44,875
Pension contributions	19,068	1,325
Other staff costs	<u>36,565</u>	<u>14,548</u>
	<u>747,285</u>	<u>544,918</u>
Total emoluments paid to staff were:	<u>657,299</u>	<u>485,495</u>

No employee earned more than £50,000 during the year.

The average weekly number of employees (full-time equivalent) during the year was as follows:

	2002	2001
	No.	No.
Waste Watch Services Ltd	4.0	-
Research Policy and Information	4.0	3.0
Education and Training	20.0	14.0
Western Riverside Waste Authority	3.0	-
NWAI	2.0	2.0
Core Project	6.0	5.0
Management and Administration	<u>4.0</u>	<u>4.0</u>
	<u>43.0</u>	<u>28.0</u>

## Waste Watch

### Notes to the financial statements

For the year ended 31 March 2002

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#### 8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Waste Watch Services Ltd gift aids available profits to the charity and therefore has no tax charge for the year.

#### 9. Tangible fixed assets

<b>The Group</b>	Computer Equipment £	<b>Totals</b> £
<b>Cost</b>		
At the start of the year	21,582	<b>21,582</b>
Additions in year	<u>18,958</u>	<u><b>18,958</b></u>
At the end of the year	<u>40,540</u>	<u><b>40,540</b></u>
<b>Depreciation</b>		
At the start of the year	21,582	<b>21,582</b>
Charge for the year	<u>2,362</u>	<u><b>2,362</b></u>
At the end of the year	<u>23,944</u>	<u><b>23,944</b></u>
<b>Net book value</b>		
<b>At the end of the year</b>	<u>16,596</u>	<u><b>16,596</b></u>
At the start of the year	<u>-</u>	<u>-</u>
<b>The Charity</b>	Computer Equipment £	<b>Totals</b> £
<b>Cost</b>		
At the start of the year	21,582	<b>21,582</b>
Additions in year	<u>15,275</u>	<u><b>15,275</b></u>
At the end of the year	<u>36,857</u>	<u><b>36,857</b></u>
<b>Depreciation</b>		
At the start of the year	21,582	<b>21,582</b>
Charge for the year	<u>1,441</u>	<u><b>1,441</b></u>
At the end of the year	<u>23,023</u>	<u><b>23,023</b></u>
<b>Net book value</b>		
<b>At the end of the year</b>	<u>13,834</u>	<u><b>13,834</b></u>
At the start of the year	<u>-</u>	<u>-</u>

## Waste Watch

### Notes to the financial statements

For the year ended 31 March 2002

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#### 10. Investments

The charity holds the issued ordinary share capital of Waste Watch Services Limited (see note 11). This is represented by 3 £1 shares.

#### 11. Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of Waste Watch Services Limited, a company registered in England. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. In prior years consultancy and contract work was undertaken through the charity and in future this work will be undertaken through the trading subsidiary. Available profits are transferred to the parent company via a gift aid donation. A summary of the results of the subsidiary is shown below:

	<b>2002</b>
	<b>£</b>
Turnover	<b>239,595</b>
Cost of sales	<b>209,799</b>
	<hr/>
Gross profit	<b>29,796</b>
Distribution costs	<b>904</b>
Administrative expenses	<b>18,985</b>
Other operating income	<b>-</b>
	<hr/>
Operating profit / (loss)	<b>9,907</b>
Interest Receivable	<b>293</b>
Interest payable	<b>21</b>
	<hr/>
Profit / (loss) on ordinary activities	<b>10,179</b>
Gift Aid to parent undertaking	<b>10,179</b>
Profit / (loss) for the period	<b>-</b>
	<hr/> <hr/>
The aggregate of the assets, liabilities and funds was:	
Assets	<b>3</b>
Liabilities	<b>-</b>
	<hr/>
Funds	<b>3</b>
	<hr/> <hr/>



## Waste Watch

### Notes to the financial statements

#### For the year ended 31 March 2002

#### 12. Stock

	The group and charity	
	2002	2001
	£	£
Leaflets and Publications	<u>5,921</u>	<u>5,520</u>

#### 13. Debtors

	The group		The charity	
	2002	2001	2002	2001
	£	£	£	£
Trade Debtors	36,703	90,775	4,287	90,775
Sundry Debtors	340,445	77,996	323,444	77,996
Subsidiary Undertaking	-	-	51,969	-
Accrued Income	16,248	1,994	16,248	1,994
Prepayments	14,000	21,424	14,000	21,424
VAT	2,008	1,027	2,008	1,027
	<u>409,404</u>	<u>193,216</u>	<u>411,956</u>	<u>193,216</u>

#### 14. Creditors: amounts due within 1 year

	The group		The charity	
	2002	2001	2002	2001
	£	£	£	£
Trade Creditors	234,922	119,587	225,399	119,587
Taxation and Social Security	29,402	17,667	19,835	17,667
Pensions	1,642	-	-	-
Accruals	26,828	56,479	19,328	56,479
	<u>292,794</u>	<u>193,733</u>	<u>264,562</u>	<u>193,733</u>

#### 15. Analysis of group net assets between funds

	Restricted funds	Unrestricted funds	Total funds
	£	£	£
Tangible Fixed Assets	-	16,596	16,596
Current Assets	2,081,723	235,589	2,317,312
Creditors: Amounts Falling Due Within One Year	-	(292,794)	(292,794)
<b>Net assets at the end of the year</b>	<u>2,081,723</u>	<u>(40,609)</u>	<u>2,041,114</u>

## Waste Watch

### Notes to the financial statements

For the year ended 31 March 2002

#### 16. Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
<b>Restricted funds:</b>					
Core Project	-	198,000	(198,000)	-	-
Wasteline	(6,409)	62,000	(69,167)	13,576	-
Waste Online	-	32,389	(12,722)	-	<b>19,667</b>
EA Feasibility Study	-	4,450	(4,880)	430	-
Plastics Mass Balance	-	113,989	(94,147)	-	<b>19,842</b>
Public Sector Mass Balance	-	140,474	(139,561)	-	<b>913</b>
No Waste of Money	-	29,385	(17,408)	-	<b>11,977</b>
Toner Powder	50,471	6,222	(56,852)	-	<b>(159)</b>
Planning Affordable Recycling	-	25,504	(19,991)	-	<b>5,513</b>
Recycled Product Guide	-	9,958	(9,958)	-	-
3Rs Projects	3,344	-	(3,347)	3	-
Sharing Resources	-	-	(4,798)	4,798	-
WESP	-	-	(670)	-	<b>(670)</b>
Schools Waste Action Clubs	94,871	423,141	(379,483)	-	<b>138,529</b>
London Remade	-	27,781	(17,492)	-	<b>10,289</b>
Cycler™	24,970	156,642	(151,838)	-	<b>29,774</b>
WRWA	-	1,981,928	(123,808)	-	<b>1,858,120</b>
NWAI	(12,874)	91,388	(91,438)	-	<b>(12,924)</b>
National Recycling Directory	394	-	-	-	<b>394</b>
Economics of Recycling	458	-	-	-	<b>458</b>
<b>Total restricted funds</b>	<u>155,225</u>	<u>3,303,251</u>	<u>(1,395,560)</u>	<u>18,807</u>	<u><b>2,081,723</b></u>
<b>Unrestricted funds:</b>	<u>(9,397)</u>	<u>294,023</u>	<u>(306,428)</u>	<u>(18,807)</u>	<u>-</u>
<b>Total funds</b>	<u><u>145,828</u></u>	<u><u>3,597,274</u></u>	<u><u>(1,701,988)</u></u>	<u><u>-</u></u>	<u><u><b>2,081,723</b></u></u>

## **Waste Watch**

### **Notes to the financial statements**

#### **For the year ended 31 March 2002**

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#### **16. Movements in funds (continued)**

##### **Purposes of restricted funds**

Restricted funds were used for a number of different projects during the year - each project had an identified scope and work programme, including an agreed budget, key milestones and progress monitoring regime. For each project, with the exception of WESP, the projects were identified and funding bids prepared for funders, money being awarded on the basis of an agreed work programme as identified above. The restricted funding used for each project included income and expenditure for direct project staff and direct project costs, in addition to a contribution towards support staff and overhead costs associated with the project.

The range of projects for which the restricted funding was used varied considerably from education projects employing schools outreach officers working within schools in defined geographic areas, to research for, and publication of reports and directories, such as the National Recycling Directory and national work such as the Waste Watch public information service, and new website wasteonline.

For all projects in receipt of restricted funds, Waste Watch was required to provide regular reports for the project funder(s) and any other partners involved in the project.

Further information on restricted funds is given in the report of the council of management.

#### **17. Operating lease commitments**

The group had an annual commitment at the year end of £56,000 under an operating lease expiring in two to five years.