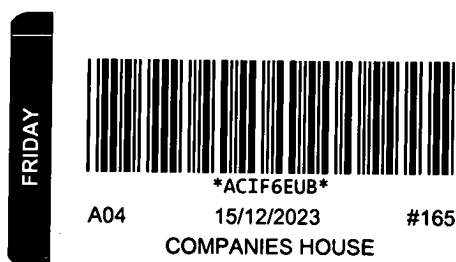


Chemical Industries Association Limited

**Directors' report and financial statements
For the year ended 30 June 2023**



Company Registration No: 00860702 (England and Wales)

Chemical Industries Association Limited

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Chemical Industries Association Limited

Officers and Board

For the year ended 30 June 2023

The Board consists of a maximum of 10 Directors, comprising the Chief Executive, President of the Association and up to eight persons elected from Council members. The Board manages the Association's business. Council consists of a maximum of 32 members, elected from the Association's general membership and focuses on policy issues.

President

Mr T Crotty
Ineos

Other Board Members

Dr M Ashcroft
Tata Chemicals

Dr W Barton OBE
ViridiCO₂ Ltd

Mr J E Case
Dow Chemical Company

Mr S Elliott (Chief Executive)
Chemical Industries Association

Mr T Hughes
Synthomer Ltd
Resigned Mar 2023

Mr M Williams
Sabir Uk Petrochemicals

Secretary (Non member)

Mr S Marsh
Chemical Industries Association

Chemical Industries Association Limited

Report of the Board

For the year ended 30 June 2023

The Board presents the Annual Report and audited financial statements of the Association for the year ended 30 June 2023. This document will be presented to the Board meeting on 13 Nov 2023.

Officers

Mr T Crotty remained in office as President during the year.

Board

All Directors who served on the Board are listed on page 2 of this report. There are 6 members of the Board as at 30 June 2023. The Board met four times during the year. There are no contracts, shareholdings or other arrangements benefiting any member of the Board which requires disclosure in terms of the Companies Act 2006.

Council

CIA Council is an advisory forum for Directors to liaise with members of the Association. The Council comprises representatives from all categories of membership and is in overall charge of CIA's policy and communications agenda. Chairs of the Strategy Groups are also members of Council.

Strategies and Issues

Reporting to Council are four Strategy Groups, each chaired by a member of Council with a CIA executive as manager. They are:

Chemicals Management which focuses on providing strategic guidance on chemical policy and voluntary initiatives to manufacturers and their related supply chains.

Responsible Care focuses on performance in safety, health, environment and security as the way CIA delivers industry's Responsible Care commitment to continuous improvement. RCSG is responsible for agreeing and monitoring the strategy to achieve this.

Communications deals with communication issues in support of the industry's relationship with its stakeholders and CIA member companies.

Employment deals with employment issues in support of the industry's relationship with its workforce and their representatives as well as lobbying in employment policy, law and regulation.

The function of the Strategy Groups is to determine strategy and policy within their broad areas of responsibility, to agree priorities, sponsor relevant issues and to oversee the work of the dedicated Issue Teams, supported by their appropriate Networks. All Strategy Groups have met up to three times during 2022/23. Issue teams have a clear remit with defined timescales and measures of success within which to operate. They form the mainstay of CIA and member work activity. Chaired by a member sponsor, these teams are multi-disciplinary, with a limited commitment.

Networks exist for specific subject areas and communicate as necessary moderated by CIA staff. Networks identify future issues, act as sounding boards for ideas on CIA policy and provide a pool of potential support for Issue Teams.

The work of the Association depends crucially on the activities of all the above bodies and on the work done by the other Association committees and sub-committees. The Board wishes to express its gratitude to Member companies and their expert staff, who have supported the Association throughout the period under review.

The Association keeps its members informed of the activities it has undertaken on their behalf via the website, CIA Matters and Bulletin.

Sector Networks

Sector Networks have a vital role to play within the Association acting as Issue Teams on their sector specific issues. They also form a national Network in their specialism.

The Board members are responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and regulations.

Chemical Industries Association Limited

Report of the Board (Continued)

For the year ended 30 June 2023

Board member responsibilities

Company law requires Board members to prepare financial statements every financial year. Board members 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 Board members must not approve the financial statements unless they are satisfied that they give a true and fair view of the affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, Board members are required to:

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

Board members are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and taking such steps as are reasonably open to them to safeguard prevention and detection of fraud and other irregularities.

Management

For the purposes of the Companies Act 2006, the Board constitutes the Association's directors. The day to day running of the Association is conducted by the Chief Executive supported by a management team of three.

Staff

On 30 June 2023 the number of staff employed by the Association, including the Chief Executive was:

	<u>2023</u>	<u>2022</u>
Senior Management	4	4
Executives	15	14
Administration	6	6
	<u>25</u>	<u>24</u>

The monthly average number of employees was 25 (2022: 24).

Employees were allocated to the Association and subsidiary activities as follows:

	<u>2023</u>	<u>2022</u>
CLA	22.5	21.5
CIABATA	1	1
REACHREADY	1.5	1.5
	<u>25</u>	<u>24</u>

The Association continually reviews its available staff skill sets compared with those required to maintain its core activities.

The Association is staffed throughout with talented and committed people. The Board wishes to record its appreciation to all members of staff for their contributions to the Association's work throughout the year.

Principal activities

The basic objectives and principal activities of the Association are as shown in its Memorandum and Articles of Association and are:

- the promotion of the interests of manufacturers, processors, sellers, providers of services and employers in the chemical and allied industries in the United Kingdom;
- the furthering of co-operation between companies engaged in those industries;
- the encouragement of efficiency in those industries.

The Association's mission is to represent UK chemical and allied industries to relevant stakeholders and to support our members in achieving economic, social and environmental sustainability.

Details of the Association's work during the year are set out in a separate report by the Chief Executive, which is circulated to members four times a year.

The Association's financial position during 2022/23 has been managed on a sound basis with a view to promote member interests, fund the reserve policy and the deficit on the defined benefit pension scheme. We have also started to consider our future premises as our lease comes to an end.

Chemical Industries Association Limited

Report of the Board (Continued)

For the year ended 30 June 2023

Association structure

The Association is a company limited by guarantee. There has been no change to its structure during the year.

The constitution allows for a maximum of 10 Board members and, at 30 June 2023, there were 6 (2022: 8).

Membership

On 30 June 2023 there were 101 (2022: 97) subscription-paying companies (listed on page 22).

Financial review of the year

On the basis of the preliminary estimates of expenditure and trading income for the financial year 2022-23, the Board decided to increase subscriptions rates by 5% for 2022-23.

	<u>2022-23</u>	<u>2021-22</u>
Turnover from subscription	3,564,075	3,439,742
Turnover from other operations	924,902	866,130
Interest receivable	<u>58,887</u>	<u>8,319</u>
Gross income	4,547,864	4,314,191
Surplus after tax for the company	<u>456,248</u>	<u>492,753</u>

Current year

In the current financial year it is the Association's intention to continue promoting the interests and prosperity of its members within the chemical industry. The level of activities will be consistent with the available resources and the efficient operation of the Association. The surplus generated was primarily used to build reserves and fund pension fund deficit obligations which are reflected in the Statement of Changes in Equity on page 11.

Risks and uncertainties

The Board is responsible for monitoring the Association's internal controls. The Board, supported by the Management Team and an audit committee, review the major risks identified arising from or in connection with the Association's activities and how they might be alleviated. At recent meetings particular attention has been paid to:

- continuing subscription income from member companies due to political environment, war and the pandemic
- the deficit on the defined benefit pension scheme (closed to further benefit accrual in May 2002)
- the control and management of cash balances
- reviewing and rationalising overhead costs

Political and charitable contributions

The Association made no political contributions.

Auditor

The appointment of the auditor was approved and confirmed by the Board at their meeting on 13 Nov 2023.

RISK - Politics, pandemic and war

Chemical Industries Association Limited
Report of the Board (Continued)
For the year ended 30 June 2023

Disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware. The directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

On behalf of the Board
Kings Buildings,
Smith Square,
London
SW1P 3JJ

13-Nov-23

Steve Elliott
Director



T Crotty
Chairman



Chemical Industries Association Limited

Independent Auditor's Report

to the members of the Chemical Industries Association Limited

Opinion

We have audited the financial statements of Chemical Industries Association Limited (the 'company') for the year ended 30 June 2023 which comprise the Income and Expenditure account and Statement of Comprehensive Income, the Balance Sheet, Statement of Changes in Equity 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 affairs as at 30 June 2023 and of its surplus for the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 matter prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements

Chemical Industries Association Limited

Independent Auditor's Report

to the members of the Chemical Industries Association Limited

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 directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 directors' report exemption in preparing the Report of the Board and from preparing a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Board Members' Responsibilities, Board members, who are also Directors for the purposes of the Companies Act 2006, 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.

Auditor's 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

• We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006, Trade Union and Labour Relations (Consolidation) Act 1992 and the Corporation Tax Act 2010

• We understood how the Company is complying with those frameworks via communication with those charged with governance, together with the review of the Company's documented policies and procedures.

• We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. These included risks associated with Revenue Recognition and Management override of Controls, which were discussed and agreed by the audit team

• Our approach included agreeing the company's recognition of income to the terms of the underlying contract with members, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records.

• Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Company.

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. This description forms part of our Report of the Auditors.

Chemical Industries Association Limited
Independent Auditor's Report
to the members of the Chemical Industries Association Limited

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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.

Knox Cropper LLP

14 Dec 2023

Simon Goodridge
for and on behalf of Knox Cropper LLP,
Statutory Auditor

65/68 Leadenhall Street
EC3A 2AD
London

Chemical Industries Association Limited
Income and Expenditure Account and
Statement of Comprehensive Income
For the year ended 30 June 2023

Income and Expenditure Account

		2023 £	2022 £
		<hr/>	<hr/>
<i>Note 3</i>	Turnover from :Subscriptions	3,564,075	3,439,742
<i>Note 6</i>	:Other operations	924,902	866,130
	Total turnover	<hr/> 4,488,977	<hr/> 4,305,872
<i>Note 8</i>	Administration expenses	(3,627,020)	(3,445,160)
<i>Note 9</i>	Other operating expenses	<hr/> (291,947)	<hr/> (346,080)
	Operating Surplus	570,010	514,632
	Interest receivable	58,887	8,319
<i>Note 19</i>	Other finance income/(costs)	<hr/> (45,000)	<hr/> (28,000)
<i>Note 7</i>	Surplus on ordinary activities before taxation	583,897	494,951
<i>Note 12</i>	Taxation credit (charge)	<hr/> (127,649)	<hr/> (2,198)
	Surplus on ordinary activities after taxation	<hr/> 456,248	<hr/> 492,753

Statement of Other Comprehensive Income

		2023 £	2022 £
		<hr/>	<hr/>
	Retained surplus on ordinary activities	456,248	492,753
<i>Note 19</i>	Movement on Deferred Tax asset relating to Defined Benefit Pension	104,660	(84,930)
<i>Note 19</i>	Re-measurements of Defined Benefit Pension obligations	<hr/> (89,000)	<hr/> 25,000
	Total Comprehensive Income for the year	471,908	432,823
	Net Liabilities Brought Forward	<hr/> 1,707,356	<hr/> 1,274,533
	Net Liabilities Carried Forward	<hr/> 2,179,264	<hr/> 1,707,356

Chemical Industries Association Limited
Statement of Changes in Equity
For the year ended 30 June 2023

	Pension Deficit	Capital Fund	Total
At 1 July 2021	(1,323,130)	2,597,663	1,274,533
Profit for the year	-	492,753	492,753
Employer contributions	450,000	(450,000)	-
Net interest	(28,000)	28,000	-
Deferred tax on pension deficit	(84,930)	-	(84,930)
Actuarial gain/(loss)	25,000	-	25,000
At 30 June 2022	<u>(961,060)</u>	<u>2,668,416</u>	<u>1,707,356</u>
Profit for the year	-	456,248	456,248
Employer contributions	-	-	-
Net interest	(45,000)	45,000	-
Deferred tax on pension deficit	104,660	-	104,660
Actuarial gain/(loss)	(89,000)	-	(89,000)
At 30 June 2023	<u>(990,400)</u>	<u>3,169,664</u>	<u>2,179,264</u>

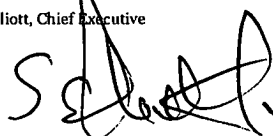
Chemical Industries Association Limited
Balance sheet
At 30 June 2023

		2023	2022
		£	£
	FIXED ASSETS		
Note 13	Intangible fixed assets	113,364	133,012
Note 14	Tangible fixed assets	43,502	66,052
Note 15	Fixed asset investments	<u>3</u>	<u>3</u>
		156,869	199,066
	CURRENT ASSETS		
Note 16	Debtors	1,022,240	905,089
	Short term deposits	3,363,861	1,813,125
	Cash at bank and in hand	<u>150,119</u>	<u>1,182,369</u>
		4,536,220	3,900,583
	CURRENT LIABILITIES		
Note 17	Creditors: Amounts falling due within one year	<u>1,496,485</u>	<u>1,406,597</u>
	NET CURRENT ASSETS	3,039,735	2,493,986
	NET ASSETS EXCLUDING PENSION PROVISION	3,196,604	2,693,053
Note 18	Deferred tax	(26,940)	(24,637)
Note 19	Defined Benefit Pension Scheme deficit	<u>(990,400)</u>	<u>(961,060)</u>
	NET LIABILITIES AFTER PENSION SCHEME DEFICIT	<u>2,179,264</u>	<u>1,707,356</u>
	Represented by:		
Note 19	DEFICIT ON DEFINED BENEFIT SCHEME	(990,400)	(961,060)
	CAPITAL FUND	<u>3,169,664</u>	<u>2,668,416</u>
		<u>2,179,264</u>	<u>1,707,356</u>

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

The financial statements on pages 10 to 21 were approved by the Audit Committee and ratified and authorised for issue by the Board on 13 Nov 2023.

S Elliott, Chief Executive



T Crotty, Chairman



Company Registration No: 00860702 (England and Wales)
The notes on pages 13 to 21 form part of these financial statements

Chemical Industries Association Limited

Notes to the Financial Statements

For the year ended 30 June 2023

1 Accounting Policies

Company information

Chemical Industries Association is a private company limited by guarantee that is domiciled and incorporated in England and Wales. The registered office is Kings Buildings, Smith Square, London, SW1P 3JJ.

Accounting convention

These financial statements have been prepared in accordance with Section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

Going Concern

The entity's large capital fund and the fact that the pension deficit is not imminently due means that this entity is deemed to be a going concern by its Board.

Taxation

The charge for taxation represents the tax currently payable and takes into account taxation deferred because of timing differences.

Deferred tax is recognised, without being discounted, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by the relevant sections of FRS 102.

Stocks

Stocks of publications and stationery are treated as having zero net realisable value.

Intangible Fixed Assets

Intangible assets represent the cost of the association's website and software. These are amortised over their useful economic lives of 5 years.

Tangible Fixed Assets

Depreciation of fixed assets:

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value over their expected useful economic life as follows:

Fixtures and Fittings 20% SLM

Computer Equipment 33% SLM

At each reporting date the company reviews the carrying amounts of its intangible and tangible fixed assets and takes account of changes in estimated useful life and any impairment of value.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial Instruments

Basic financial instruments are measured initially at transaction price and subsequently at amortised cost. The company has no other financial instruments or basic financial instruments measured at fair value.

Revenue

Turnover represents the amount (excluding value added tax) derived from subscriptions and the provision of services. Turnover is recognised at the fair value of the consideration receivable and is shown net of VAT.

Subscription income is recognised equally over the period of the membership.

All other income is recognised at the time the goods or services are provided.

Chemical Industries Association Limited

Notes to the Financial Statements (Continued)

For the year ended 30 June 2023

1 Accounting Policies (continued)

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Defined benefit pension plan

The Association operates a defined benefit pension for the benefits of its employees, the assets of which are separately held from those of the company in independently administered funds.

Pension scheme assets are measured at fair value in accordance with FRS 102 fair value hierarchy. Pension scheme liabilities are measured using the projected unit credit method and are discounted at the current rate of return on a high quality corporate bond of equivalent terms and currency to the liability. Annually the company engages independent actuaries to calculate the obligation.

The asset recognised in the balance sheet in respect of the defined benefit pension scheme is the present value of the defined benefit obligation at the end of the reporting date, less the fair value of the scheme assets at the reporting date.

The increase in the present value of liabilities of the Association's defined benefit pension scheme expected to arise from employee service in the period is charged to operating surplus. Past service costs are also charged to operating surplus. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on scheme assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit obligations'.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the scheme assets. This cost is recognised in the profit or loss as 'Finance costs'.

Pension scheme deficits are recognised in full and presented within provisions.

Operating leases

Operating lease rentals are charged to the income and expenditure account on a straight line basis over the period of the lease.

Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

2 Critical accounting judgements and estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Chemical Industries Association Limited
Notes to the Financial Statements (Continued)
For the year ended 30 June 2023

2 Critical accounting judgements and estimation uncertainty (continued)

Key sources of estimation uncertainty

Defined benefit pension scheme

The company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors including: life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the statement of financial position. The assumptions reflect historical experience and current trends.

3 Turnover from subscriptions

Subscription income is based on Member Company declarations which are accepted by the Association as being valid, without verification, for the purposes of calculating subscription fees due from each Member Company.

4 Members' liability

Each member is, in accordance with the Memorandum & Articles of Association, liable to contribute to the assets of the Association such amount as may be required, not exceeding £100, in the event of the Association being wound up. This liability continues for one year after cessation of membership. On 30 June 2023 there were 101 members of the Association so liable (2022 - 97).

5 Format of Accounts

The formats for income and expenditure account and balance sheet set out in the Companies Act 2006 have been amended where in the Board's opinion the formats are not applicable to the Association's special circumstances. The Association is a company limited by guarantee, not having a share capital and is principally involved in non-trading activities. In compliance with the Companies Act 2006 the Board presents the financial statements in an amended format.

6 Turnover from other operations

	2023	2022
	£	£
Fees from affiliates and sector groups	28,791	27,114
Training services & exhibitions	146,335	135,109
Meetings, conferences & events	238,975	230,942
CIABATA	417,711	376,149
REACH	74,555	77,046
Publications	18,535	19,770
	<u>924,902</u>	<u>866,130</u>

7 Surplus on ordinary activities before taxation

Surplus on ordinary activities before taxation is stated after charging

	2023	2022
	£	£
Auditors remuneration: Audit	13,500	12,500
Pension Services	8,700	7,150
Depreciation & Amortisation	45,052	103,053
Lease payments recognised as an expense	223,362	227,502
	<u></u>	<u></u>

Chemical Industries Association Limited
Notes to the Financial Statements (Continued)
For the year ended 30 June 2023

8 Administration expenses

	2023	2022
	£	£
Training services & exhibitions	84,485	73,838
Meetings, conferences & events	183,376	141,696
Charges for associates and sector groups	38,940	38,480
Publications	38,906	44,327
Staff costs <i>Note 10</i>	2,097,118	1,960,018
Consultancy costs	352,963	220,928
Property occupancy	380,860	449,327
Administration costs	274,196	387,903
Meetings, travel and other expenses	152,195	75,698
Bank charges	9,775	10,220
Bad debts	14,206	42,724
	<u>3,627,020</u>	<u>3,445,160</u>

9 Other operating expenses

	2023	2022
	£	£
CEFIC :Subscription	150,607	191,567
Confederation of British Industry	26,658	25,387
Energy Intensive Users' Group	23,900	23,900
ECEG	24,158	22,170
Other subscriptions	66,624	83,056
	<u>291,947</u>	<u>346,080</u>

10 Staff costs

The aggregate payroll costs of employees were as follows:

	2023	2022
	£	£
Wages and Salaries : CLA staff, Secondees & NI costs	1,841,190	1,719,583
Pension Costs (excluding contributions to the DB Pension)	154,059	144,527
Other Costs	101,869	95,908
Total Staff costs	<u>2,097,118</u>	<u>1,960,018</u>

The monthly average number of employees was 25 (2022: 24).

11 Council members and employees

Neither the President nor any of the Officers and Council members who served during the year received any emoluments or pension contributions from the Association in respect of the year ended 30 June 2023 (2022: £nil) except the Chief Executive.

Chemical Industries Association Limited
Notes to the Financial Statements (Continued)
For the year ended 30 June 2023

12 Taxation

(a) Analysis of charge in the period

	2023 £	2022 £
UK Corporation tax on surplus for the period	125,346	-
Total current tax	125,346	-
Losses carried back against prior year charge		(14,148)
<i>Deferred tax (note 17)</i>		
Origination and reversal of timing differences	2,303	16,346
Tax Credit/(Charge) on surplus on ordinary activities	127,649	2,198

(b) Factors affecting tax charge for the period:

	2023 £	2022 £
Surplus before taxation	583,897	494,951
Expected tax charge based on the standard rate of corporation tax in the UK of 19%/MR (2022: 19%)	119,675	94,041
Non deductible expenses	1,217	5,073
Other timing differences		
Prior period adjustments		
Losses carried back against prior year		(14,148)
Pension contributions and other items deductible for tax		(85,500)
Other adjustments	6,757	2,732
Unutilised losses carried forward	-	-
	127,649	2,198

13 Intangible Fixed Assets

	Website £	CRM £	Software £	Total £
COST:				
Balance at 1 July 2022	177,708	383,415	20,860	581,983
Additions in year		16,312		16,312
Disposals in year				-
Balance at 30 June 2023	177,708	399,727	20,860	598,295
DEPRECIATION:				
Balance at 1 July 2022	167,717	281,254		448,971
Charge for the year	6,740	23,654	5,566	35,960
Disposals in year				-
Balance at 30 June 2022	174,457	304,908	5,566	484,931
NET BOOK VALUE at 30 June 2023	3,251	94,819	15,294	113,364
NET BOOK VALUE at 30 June 2022	9,991	102,161	20,860	133,012

Chemical Industries Association Limited
Notes to the Financial Statements (Continued)
For the year ended 30 June 2023

14 Tangible Fixed Assets

	<i>F&F & Office Refurb</i>	<i>Computer equipment</i>	<i>Total</i>
	£	£	£
COST:			
Balance at 1 July 2022	210,369	104,521	314,890
Additions in year		2,389	2,389
Disposals in year	-	-	-
Balance at 30 June 2023	210,369	106,910	317,279
DEPRECIATION:			
Balance at 1 July 2022	206,191	42,647	248,838
Charge for the year	2,279	22,660	24,939
Disposals in year	-	-	-
Balance at 30 June 2023	208,470	65,307	273,777
NET BOOK VALUE at 30 June 2023	1,899	41,603	43,502
NET BOOK VALUE at 30 June 2022	4,178	61,874	66,052

15 Fixed assets investments

	2023	2022
	£	£
Investments in subsidiary undertakings		
Investments	3	3

Investments comprise the Association's holdings in CIABATA Ltd (two Ordinary shares of £1 each) and REACHREADY Ltd (one Ordinary share of £1). The Association owns 100% of the ordinary shares of each company, all companies are incorporated in England and Wales. Group accounts have not been prepared to consolidate the Association's subsidiaries, CIABATA Ltd and REACHREADY LTD, on the basis that the consolidated accounts would not be materially different from the accounts prepared for the Association as a single entity.

16 Debtors

	2023	2022
	£	£
Trade debtors	724,811	663,564
Corporation Tax		
Other debtors	67,326	20,236
Prepayments and accrued income	230,103	221,289
	1,022,240	905,089

17 Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	215,101	251,747
Other creditors	27,360	31,634
Designated Funds (note 20)	197,399	192,132
Corporation tax	111,198	(14,148)
Taxation and social security	60,026	110,720
Accruals and deferred income	885,401	834,512
	1,496,485	1,406,597

Chemical Industries Association Limited
Notes to the Financial Statements (Continued)
For the year ended 30 June 2023

18 Deferred tax (liability)/asset

Summary of movements:	2023	2022
	£	£
Balance brought forward	24,637	8,291
	-	-
Movement during year	2,303	16,346
Balance carried forward (asset) / liability	<u>26,940</u>	<u>24,637</u>

19 Pensions

A) Contributions to individual personal pension plans were introduced for new employees effective 1 July 1995. This arrangement ceased in September 2002 and all employer contributions have been paid into a group personal pension plan from 1 October 2002 onwards. Contributions for the year under review amounted to £154 059 (2022: £144,527).

B) The company operates a pensions scheme closed to new members from 1 July 1995 that provides defined benefits. Pension benefits are linked to the members' final pensionable salaries and service at their retirement (or date of leaving if earlier). The Trustees are responsible for running the Scheme in accordance with the Scheme's Trust Deed and Rules, which sets out their powers.

The Trustees are required to carry out an actuarial valuation every 3 years. The last actuarial valuation of the Scheme revealed a funding shortfall of £330,000 as at 30 June 2021. In respect of the deficit in the Scheme as at 30 June 2021, the Association agreed to pay a lump sum amount of £450,000.

The Trustees and Employer also agreed that the Actuary will carry out a funding update as at 30 June 2023. The purpose of this exercise is to confirm that the Scheme is in surplus at this date. If there is a deficit at 30 June 2023, this would trigger a payment of the deficit amount up to a maximum of £450,000 from the Employer to be paid by 31 December 2023. In addition, the Association has agreed to pay all expenses of administering the scheme together with premiums for the insured death-in service benefits as they arise.

The June 2021 valuation was updated by the actuary on an FRS 102 basis as at 30 June 2023.

The principal assumptions used in this valuation at June 2023 were:	2023	2022
Rate of salary increase (no members accruing benefits on a final salary basis)	N/A	N/A
Allowance for revaluation of deferred pensions	2.80%	2.80%
Allowance for pension in payment increases of RPI or 5% p.a. if less	3.50%	3.50%
Discount rate applied to scheme liabilities	5.30%	3.80%
Inflation assumption	3.30%	3.40%

Mortality Assumptions

Mortality post retirement assumptions for the year ended 30 June 2023 were 100% S3PMA, 100% S3PFA CMI 2022 Model with 1.25% improvement (2022: 100% S3PMA, 100% S3PFA CMI 2021 Model with 1.25% improvement).

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

Money purchase contributions to the scheme are not dealt with in this note.

Chemical Industries Association Limited
Notes to the Financial Statements (Continued)
For the year ended 30 June 2023

19 Pensions (continued)

Scheme assets

The fair value of the scheme's assets, which are not intended to be realised in the short term and may be subject to significant changes before they are realised, and the present value of the scheme's liabilities.

	2023	2022
	£000	£000
Equities	3,515	3,937
Property	-	-
Bonds	-	-
Cash	310	679
Liability driven investments	2,826	1,556
Div Growth	2,118	4,280
DCF	811	1,453
Total asset value	9,580	11,905
Present value of scheme liabilities	(10,900)	(13,091)
Net liability	(1,320)	(1,186)
Less: deferred tax asset at 25% (2022: 19%)	330	225
Net liability	(990)	(961)

Amounts recognised in profit and loss

	2023	2022
	£000	£000
Interest cost	(45)	(28)
Total	(45)	(28)

Amount recognised in Other Comprehensive Income

Actual return on assets less interest	1,727	(2,723)
Actuarial gain / (loss) on obligations	(1,816)	2,748
Total	(89)	25

Changes in fair value of scheme assets

	2023	2022
	£000	£000
Opening fair value of scheme assets	11,905	14,914
Interest income	435	245
Expected return on assets less interest income	(1,816)	(2,723)
Employer contributions	-	450
Benefits paid	(944)	(981)
Administration Expenses	-	-
Closing fair value of scheme assets	9,580	11,905

Chemical Industries Association Limited
Notes to the Financial Statements (Continued)
For the year ended 30 June 2023

19 Pensions (continued)

Changes in fair value of defined benefit obligation		
	2023	2022
	£000	£000
Opening defined benefit obligation	13,092	16,547
Exceptional Item : Past service cost		
Interest cost	480	274
Actuarial (gain) / loss	(1,727)	(2,748)
Benefits paid	(944)	(981)
Closing defined benefit obligation	<u>10,901</u>	<u>13,092</u>

20 Designated funds

Designated funds represent money subscribed for specific medical, research, educational and other projects held in trust by the Association for those purposes.

21 Annual commitments under non-cancellable operating leases

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023		2022	
	Land and buildings	Other	Land and buildings	Other
	£	£	£	£
Commitments falling due:				
Within one year	215,280	13,847	215,280	13,847
Two to Five years	<u>218,497</u>	<u>8,924</u>	<u>429,637</u>	<u>8,924</u>
	<u>433,777</u>	<u>22,771</u>	<u>644,917</u>	<u>22,771</u>

Chemical Industries Association Limited
A Company limited by guarantee, not having a share capital

Registered number: 860702 England

Registered office:

Kings Buildings

Smith Square

London SW1P 3JJ

Telephone: 020 7834 3399

Bankers:

National Westminster Bank PLC

63 Piccadilly

London W1A 2AG

Auditor:

Knox Cropper LLP

65/68 Leadenhall Street

London, EC3A 2AD

Chemical Industries Association Companies in Membership

Full membership of the CIA is open to organisations engaged directly in the manufacture, distribution and/or marketing of chemical products in the UK. All member companies give signatory commitment to the Responsible Care Guiding Principles.

A

Alpek Polyester UK Ltd
AstraZeneca UK Limited
Aqdot

B

Baker Hughes, a GE Company
Bardylke Chemicals Ltd
Basell Polyolefins UK Ltd
Bitrez Limited
Brenntag UK Ltd
Briar Chemicals
BKY Additives Ltd
Bakelite Synthetics UK Ltd

C

Cabot Carbon
Calachem
Campact Limited
CF Fertilisers UK Limited
Clariant Services UK Ltd
Croda International Ltd
Custom Powders Limited
Carbogen Amcis Ltd

D

Dow Chemical Company Ltd
DSM

E

Emerald Kalama
Elkem Silicones (UK) Limited
EPC UK Additives
Essar Oil (UK) Ltd
Esseco UK Ltd
Exxold Technology Ltd
ExxonMobil Chemical Ltd
Equus UK Topco Ltd

F

Frutarom (UK) Ltd
Fujifilm Imaging Colorants
Futamura Chemical UK Ltd

G

Gantrade Europe Ltd
GEO Speciality Chemicals
GlaxoSmithKline
Gower Chemicals
Greenenergy Biofuels Limited

H

Halterman Carless
Huntsman Corporation Ltd

I

Ineos Chemicals Grangemouth Ltd
Infineum UK Ltd
Innospec Ltd
Inovyn Chlorvinyls Ltd
Ingevity UK Ltd
Ineos Acetyls UK Limited

J

James M Brown Ltd
Johnson Matthey Plc

K

Kemira Chemicals (UK) Ltd
Koura

L

Lankem Ltd
Lanxess Ltd
Lubrizol Ltd
Livent
Libra Speciality Chemicals Ltd
Lianhetech Seal Sands

M

Mitsubishi Chemical UK

N

Nanoco Technologies Limited
Novartis Grimsby Limited
Nufarm Limited
Newport Industries Ltd
Norit (UK) Limited

O

P

PQ Silicas UK Limited
PACBD Ltd
Prefere Resins
Pharmaron Manufacturing Services
Promethan Particles Ltd

R

Robinson Brothers Limited

S

SABIC UK Petrochemicals
Scott Bader Company Limited
Shell Chemicals UK
SI Group-UK Ltd
Silberline
Solutia UK Ltd
Solvay Solutions UK
Solenis UK Industries Ltd
Stepan UK Ltd
Sterling Pharma Solutions Ltd
Syngenta
Synthomer
SNF UK Ltd
Seqens Custom Specialties

T

Tata Chemicals Europe
Tennants Fine Chemicals Ltd
Thomas Swan & Co Ltd
Tradebe Solvent Recycling Ltd
Tronox Pigment UK Limited
Trirx Speke Ltd
U
UOP Ltd
Urenco Chemplants Ltd

V

Venator Materials UK Limited
Veolia ES Cleanaway UK Ltd
Versalis UK Ltd
VertellusHoldings UK Ltd
Veranova
Vynova Runcorn Ltd
Valtris Speciality Chemicals
Vitrex
ViridiCO₂ Ltd

W

Witton Chemicals Co Ltd
Waterside Colours Ltd

Y

Yara UK Ltd