

COMPANY REGISTRATION NUMBER: 02388396

THE CONSTRUCTION INDUSTRY COUNCIL LTD

Company Limited by Guarantee

FILLETED FINANCIAL STATEMENTS

31 December 2021

THE CONSTRUCTION INDUSTRY COUNCIL LTD
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL POSITION
31 December 2021

		2021	2020
	Note	£	£
Fixed assets			
Tangible assets	6	1,704	1,985
Current assets			
Stocks		2,224	3,207
Debtors	8	63,158	80,136
Cash at bank and in hand		106,289	95,865
		171,671	179,208
Creditors: amounts falling due within one year	9	231,389	268,656
Net current liabilities		59,718	89,448
Total assets less current liabilities		(58,014)	(87,463)
Net liabilities		(58,014)	(87,463)
Capital and reserves			
Profit and loss account		(58,014)	(87,463)
Members deficit		(58,014)	(87,463)

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 13 July 2022 , and are signed on behalf of the board by:

Mr J A Sullivan - Chair

Mr G C Watts OBE

Director

Director

Company registration number: 02388396

THE CONSTRUCTION INDUSTRY COUNCIL LTD

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

1. General information

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office is The Building Centre, 26 Store Street, London, WC1E 7BT.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The recent introduction of the Building Safety Act 2022, introduces significant changes to the regulatory regime for the building control profession and until secondary legislation is passed there is uncertainty around the company's subsidiary, CICAIR's, ongoing future as the body designated to deliver Approved Inspector regulation. However the group has sufficient reserves to provide for closedown and delivery of ongoing work for the foreseeable future. Therefore these financial statements have been prepared on a going concern basis.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

All fixed assets are initially recorded at cost. All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	-	15% straight line
Equipment	-	33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Company limited by guarantee

The liability of each member in respect of the undertaking is to contribute to the assets of the company is limited to an amount not exceeding £1.

5. Employee numbers

The average number of persons employed by the company during the year amounted to 11 (2020: 11).

The Construction Industry Council employed 4 (2020:4) people during the year who worked on CICAIR Ltd activities. The Construction Industry Council employed 1 (2020:1) person during the year who worked on Constructionarium Ltd activities.

6. Tangible assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 January 2021	18,791	36,376	55,167
Additions	—	1,247	1,247
	-----	-----	-----
At 31 December 2021	18,791	37,623	56,414
	-----	-----	-----
Depreciation			
At 1 January 2021	17,263	35,919	53,182
Charge for the year	369	1,159	1,528
	-----	-----	-----
At 31 December 2021	17,632	37,078	54,710
	-----	-----	-----
Carrying amount			
At 31 December 2021	1,159	545	1,704
	-----	-----	-----
At 31 December 2020	1,528	457	1,985
	-----	-----	-----

7. Subsidiaries, associates and other investments

Details of the investments in which the parent company has an interest of 20% or more are as follows:

CICAIR Ltd, a company limited by guarantee, registered office The Building Centre, 26 Store Street, London WC1E 7BT. The Construction Industry Council is the sole member.

Construction Umbrella Bodies (Holdings) Ltd, a company limited by guarantee, registered office The Building Centre, 26 Store Street, London WC1E 7BT. The Construction Industry Council is one of the two members of this company.

Constructionarium Ltd, a company limited by guarantee, registered office The Building Centre, 26 Store Street, London WC1E 7BT. The Construction Industry Council is one of two members.

8. Debtors

	2021 £	2020 £
Trade debtors	45,654	58,844
Other debtors	17,504	21,292
	-----	-----
	63,158	80,136
	-----	-----

9. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	52,168	70,396
Amounts owed to group undertakings and undertakings in which the company has a participating interest	57,091	96,057
Corporation tax	6,886	—
Social security and other taxes	32,041	22,610
Other creditors	83,203	79,593
	-----	-----
	231,389	268,656
	-----	-----

10. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	3,152	3,152
Later than 1 year and not later than 5 years	3,666	6,818
	-----	-----
	6,818	9,970
	-----	-----

11. Summary audit opinion

The auditor's report for the year dated 13 July 2022 was unqualified.

The senior statutory auditor was Charles Homan , for and on behalf of UHY Hacker Young (S.E.) Limited .

12. Related party transactions

The Construction Industry Council received £346,267 (2020: £376,961) in annual subscription fees from the Council Members listed on page 3 to the accounts. These transactions were conducted on an arms length basis and any amounts outstanding at the year end are cleared in the normal course of business. The Construction Industry Council received £45,000 (2020: £45,081) in fee payments from the Considerate Constructors Scheme Limited (CCS Ltd), via its parent company, Construction Umbrella Bodies (Holdings) Ltd, which is partly owned by the Construction Industry Council, for services rendered by Construction Industry Council staff in 2021 to assist the governance and strategic development of the CCS Ltd in the year. CICAIR Ltd, a company limited by guarantee is a wholly owned subsidiary of The Construction Industry Council. CICAIR Ltd pays a management charge to The Construction Industry Council in respect of services, personnel and office space utilised by CICAIR Ltd, in accordance with the service agreement signed in 2019 and this is deemed to be a reasonable allocation of costs. During the year CICAIR paid a service charge of £96,000 (2020:£96,000). CICAIR Ltd pay half of their net surplus for the year to The Construction Industry Council as agreed. The amount due for the year was £38,966 (2020:NIL). These accounts show an amount owing to CICAIR Ltd from The Construction Industry Council, the amount owed was £57,091(2020:£96,057)however once payment of the 2021 surplus is received this will revert back to £96,057 As of January 2019 CIC became one of the two members of Constructionarium Ltd, a company limited by guarantee. During the year The Construction Industry Council received £107,332 (2020:£118,240) from Constructionarium Ltd to reimburse administration and salary arrangements and costs.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.