

Company Registration No. 03357288 (England and Wales)

THE CONSTRUCTION WORKERS GUILD LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

THE CONSTRUCTION WORKERS GUILD LIMITED

COMPANY INFORMATION

Director	D S Reynolds
Company number	03357288
Registered office	79 College Road Harrow Middlesex United Kingdom HA1 1BD
Auditors	Gerald Edelman LLP 73 Cornhill London EC3V 3QQ

THE CONSTRUCTION WORKERS GUILD LIMITED

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THE CONSTRUCTION WORKERS GUILD LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2021

The director presents the strategic report for the year ended 30 April 2021.

Fair review of the business

The director considers the retention of the company's customer base to be a key performance indicator and the foundation for continued growth after the pandemic subsidies.

Turnover for the year decreased by 10.17% (2020: 1.33% increase) and the gross profit margin decreased to 1.53% from 1.55% in 2020. Profit on ordinary activities before tax for the year was £1.78m (2020: £1.95m) and at the year-end shareholders' funds totalled £559k (2020: £151k).

During the year, overhead costs, including staff salaries, were mainly met by the company's fellow subsidiary, CWG Services Limited, and then cross-charged by way of management fees to other members of the group.

The company has also faced challenges as a result of the COVID-19 pandemic during the period. However, as seen in the final section of this report, the company has continued to operate successfully during the pandemic and maintained a healthy financial position throughout.

Principal risks and uncertainties

The majority of the company's creditors relate to trade creditors, taxes payable and other creditors, which are settled on a monthly or quarterly basis as they fall due. The company maintains sufficient cash balances to settle these on a timely basis.

The company has a wide spread of customers and maintains strong credit control procedures; consequently the director considers the risk of bad debts to be low.

The company is cash generative, is financed entirely by equity and does not rely on external borrowing. As a result the director considers there to be limited risk associated with financing and exposure to changes in interest rates.

Risk of the COVID-19 pandemic

The COVID-19 pandemic throughout the UK and the rest of the world has continued during the year. The company has learnt from the previous year and built in flexibility to cope with the situations it develops.

At the close of the 2021 financial year, the company held a significant amount of cash amounting to £5.6m. Additionally, the company had net current assets of £550k at the year end.

The director believes this is a solid foundation from which to face the continuing uncertainties of the pandemic and its aftermath.

On behalf of the board

D S Reynolds
Director

20 January 2022

THE CONSTRUCTION WORKERS GUILD LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 30 APRIL 2021

The director presents his annual report and financial statements for the year ended 30 April 2021.

Principal activities

The principal activity of the company continued to be that of offering engagement and compliance services.

Review of the business

The business review, future developments and the principal risks and uncertainties of the company are set out in the strategic report.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

D S Reynolds

Results and dividends

The results for the year are set out on page 6.

Ordinary dividends were paid during the year amounting to £1,074,219 (2020: £1,509,342).

Auditors

Gerald Edelman LLP were appointed as auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

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

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

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

THE CONSTRUCTION WORKERS GUILD LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Going concern

The financial statements have been prepared on the going concern basis, which the director believes to be appropriate for the following reasons.

Having reviewed the company's financial forecasts and expected future cash flows, the director has a reasonable expectation that the company has adequate resources available to continue in operational existence for the foreseeable future, a period of not less than 12 months from the date of approval of these financial statements.

Based on the considerations set out above and considering the effects of the COVID-19 pandemic and the resulting economic downturn, as set out in the Strategic Report, the director believes that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

On behalf of the board

D S Reynolds

Director

20 January 2022

THE CONSTRUCTION WORKERS GUILD LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBER OF THE CONSTRUCTION WORKERS GUILD LIMITED

Opinion

We have audited the financial statements of The Construction Workers Guild Limited (the 'company') for the year ended 30 April 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 April 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

THE CONSTRUCTION WORKERS GUILD LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBER OF THE CONSTRUCTION WORKERS GUILD 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 strategic report and the director's 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is 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 director determines is 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report 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 planned our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements resulting from irregularities, fraud or non-compliance with law or regulations.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- Enquiring of management of whether they are aware of any non-compliance with laws and regulations.
- Enquiring of management whether they have knowledge of any actual, suspected or alleged fraud.
- Enquiring of management their internal controls established to mitigate risk related to fraud or non-compliance with laws and regulations.
- Discussions amongst the engagement team on how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we evaluated management's incentive and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls and determined that the principal risk was related to the posting of inappropriate journal entries.

THE CONSTRUCTION WORKERS GUILD LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBER OF THE CONSTRUCTION WORKERS GUILD LIMITED

- Obtaining an understanding of the legal and regulatory framework under which the company operates, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations. The key laws and regulations we considered in this context included the UK Companies Act 2006, Construction Industry Scheme (CIS), applicable tax legislation, employment law, and health and safety laws.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships and transactions.
- Audited the risk of management override of controls, including through testing journal entries for appropriateness with specific focus on entries containing unusual account combinations and reviewing large and unusual bank transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but are not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation.
- Enquiring of management as to actual and potential litigation claims.
- Confirming with management that there had been no non-compliance with any of the legislation discussed above.
- Reviewing relevant profit and loss account items for evidence of litigation and / or financial sanctions by the regulators.

The test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, mean that there is an unavoidable risk that even some material misstatements in respect of irregularities may remain undiscovered even though the audit is properly planned and performed in accordance with ISAs (UK). Furthermore, the more removed that laws and regulations are from financial transactions, the less likely that we would become aware of non-compliance. Our examination should therefore not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance that might exist. The responsibility for safeguarding the assets of the company and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the directors.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors' report.

Use of our report

This report is made solely to the company's member 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 member those matters we are required to state to him in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member for our audit work, for this report, or for the opinions we have formed.

Carl Lundberg ACA (Senior Statutory Auditor)
for and on behalf of Gerald Edelman LLP
Chartered Accountants &
Statutory Auditor

20 January 2022
73 Cornhill
London
EC3V 3QQ

THE CONSTRUCTION WORKERS GUILD LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 APRIL 2021

	Notes	2021 £	2020 £
Turnover	3	222,638,466	247,836,239
Cost of sales		(219,222,169)	(243,987,619)
Gross profit		3,416,297	3,848,620
Administrative expenses		(1,639,601)	(1,935,796)
Operating profit	5	1,776,696	1,912,824
Interest receivable and similar income	7	6,865	34,264
Profit before taxation		1,783,561	1,947,088
Tax on profit	8	(302,020)	(373,991)
Profit for the financial year		1,481,541	1,573,097
Other comprehensive income		-	-
Total comprehensive income for the year		1,481,541	1,573,097

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

THE CONSTRUCTION WORKERS GUILD LIMITED

BALANCE SHEET

AS AT 30 APRIL 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		8,720		18,468
Current assets					
Debtors	11	936,388		696,749	
Cash at bank and in hand		5,586,191		3,657,049	
		<u>6,522,579</u>		<u>4,353,798</u>	
Creditors: amounts falling due within one year	12	<u>(5,972,745)</u>		<u>(4,221,034)</u>	
Net current assets			549,834		132,764
Net assets			<u>558,554</u>		<u>151,232</u>
Capital and reserves					
Called up share capital	13		400		400
Profit and loss reserves			558,154		150,832
Total equity			<u>558,554</u>		<u>151,232</u>

The financial statements were approved and signed by the director and authorised for issue on 20 January 2022

D S Reynolds

Director

Company Registration No. 03357288

THE CONSTRUCTION WORKERS GUILD LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2021

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 May 2019		400	87,076	87,476
Year ended 30 April 2020:				
Profit and total comprehensive income for the year		-	1,573,097	1,573,097
Dividends	9	-	(1,509,342)	(1,509,342)
Balance at 30 April 2020		400	150,832	151,232
Year ended 30 April 2021:				
Profit and total comprehensive income for the year		-	1,481,541	1,481,541
Dividends	9	-	(1,074,219)	(1,074,219)
Balance at 30 April 2021		400	558,154	558,554

THE CONSTRUCTION WORKERS GUILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

Company information

The Construction Workers Guild Limited is a private company limited by shares incorporated in England and Wales. The registered office and business address is 79 College Road, Harrow, Middlesex, United Kingdom, HA1 1BD.

1.1 Accounting convention

These financial statements have been prepared in accordance with 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 £.

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

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Guild Corporate Services Group Limited. These consolidated financial statements are available from its registered office Fifth floor, 79 College Road, Harrow, Middlesex, HA1 1BD.

1.2 Going concern

At the time of approving the financial statements and having reviewed the company's financial forecasts and expected future cash flows, the director has a reasonable expectation that the company has adequate resources available to continue in operational existence for the foreseeable future, a period of not less than 12 months from the date of approval of these financial statements.

Based on the considerations set out above, notwithstanding the issues relating to the COVID-19 pandemic as set out in the Strategic Report, the director believes that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

1.3 Turnover

Turnover represents the net charges received or receivable for the compliance services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

THE CONSTRUCTION WORKERS GUILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	25% on reducing balance, written off in full after 5 years.
Fixtures and fittings	25% on reducing balance, written off in full after 5 years.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

THE CONSTRUCTION WORKERS GUILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

THE CONSTRUCTION WORKERS GUILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.11 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 in the period are included in profit or loss.

THE CONSTRUCTION WORKERS GUILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

	2021 £	2020 £
Turnover analysed by class of business		
For the provision of compliance and engagement services	222,638,466	247,836,239

	2021 £	2020 £
Other significant revenue		
Interest income	6,865	34,264

	2021 £	2020 £
Turnover analysed by geographical market		
UK	222,638,466	247,836,239

4 Auditors' remuneration

	2021 £	2020 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	13,500	13,500
For other services		
Taxation compliance services	1,000	1,000

5 Operating profit

	2021 £	2020 £
Operating profit for the year is stated after charging:		
Depreciation of owned tangible fixed assets	10,168	19,944
Operating lease charges	284,103	281,100

THE CONSTRUCTION WORKERS GUILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Administration	1	1

7 Interest receivable and similar income

	2021 £	2020 £
Interest income		
Interest on bank deposits	6,865	34,264

8 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	302,020	373,991

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit before taxation	1,783,561	1,947,088
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	338,877	369,947
Tax effect of expenses that are not deductible in determining taxable profit	3,704	9,803
Group relief	(38,853)	(3,570)
Capital Allowances	(1,708)	(2,189)
Taxation charge for the year	302,020	373,991

9 Dividends

	2021 £	2020 £
Interim paid	1,074,219	1,509,342

THE CONSTRUCTION WORKERS GUILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

10 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Total £
Cost			
At 1 May 2020	58,184	8,753	66,937
Additions	420	-	420
Disposals	(14,447)	(8,258)	(22,705)
At 30 April 2021	44,157	495	44,652
Depreciation and impairment			
At 1 May 2020	42,114	6,355	48,469
Depreciation charged in the year	8,001	2,167	10,168
Eliminated in respect of disposals	(14,447)	(8,258)	(22,705)
At 30 April 2021	35,668	264	35,932
Carrying amount			
At 30 April 2021	8,489	231	8,720
At 30 April 2020	16,070	2,398	18,468

11 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	132,851	61,533
Amounts owed by group undertakings	521,803	228,602
Other debtors	223,894	348,915
Prepayments and accrued income	57,840	57,699
	936,388	696,749

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	68,889	2,945,113
Amounts owed to group undertakings	5,125,455	482,665
Corporation tax	113,132	131,507
Other creditors	42,050	-
Accruals and deferred income	623,219	661,749
	5,972,745	4,221,034

THE CONSTRUCTION WORKERS GUILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

13 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	400	400	400	400
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

14 Operating lease commitments

Lessee

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:

	2021 £	2020 £
Within one year	127,234	127,234
Between two and five years	360,496	487,730
	<u>487,730</u>	<u>614,964</u>

15 Directors' transactions

As at the year end, £92,212 (2020: £108,652) was due from the director to the company.

16 Related party transactions

The company has taken advantage of the exemption available under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transaction with wholly owned subsidiaries within the group.

At the year end, a net amount of £58,741 (2020: £2,969,791) was due to Guild Resources Limited, a company under common ownership.

17 Ultimate controlling party

The ultimate controlling party is D S Reynolds.

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.