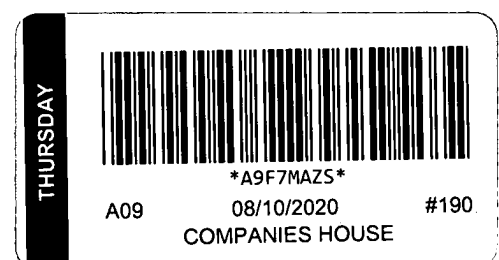


CONSTRUCTING EXCELLENCE LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED**

31 MARCH 2020

Company Registration Number: 04641522



CONSTRUCTING EXCELLENCE LIMITED

FINANCIAL STATEMENTS

For the year ended 31 March 2020

Registered office: Bucknalls Lane
Garston
Watford
Hertfordshire
WD25 9XX

Bankers: Barclays Bank PLC
1 Churchill Place
London
E14 5HP

Solicitors: Sherrards
45 Grosvenor Road
St Albans
Hertfordshire
AL1 3AW

Independent Auditors: Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

CONSTRUCTING EXCELLENCE LIMITED

FINANCIAL STATEMENTS

For the year ended 31 March 2020

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CONSTRUCTING EXCELLENCE LIMITED

REPORT OF THE DIRECTORS For the year ended 31 March 2020

The Directors have pleasure in presenting their report for the year ended 31 March 2020.

Principal activities

The Company provides a platform to promote excellence and continuous improvement throughout the membership of the built environment community.

Directors

Directors who held office during the year until the date of signing these accounts are set out below:

Gillian Mary Charlesworth (appointed 21 May 2019)
Andrew Charles Herbert (appointed 1 September 2020)
Niall Gerard Trafford (resigned 30 May 2019)
Donald Dudley Ward (resigned 30 May 2019)

Result for the period

The results for the Company show a profit on ordinary activities of £80k for the year (2019: loss of £101k) on turnover of £345k (2019: £393k).

Political and charitable donations

The Company made no political donations during the year (2019: £nil) and made no charitable donations during the year (2019: £nil).

Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Going Concern

The activities of the Company are wholly aligned with the charitable activities of its ultimate parent undertaking, BRE Trust. The year ended 31 March 2020 has been a profitable year for the Group and the Directors are continuing to carefully review the financial position of the Company. This review has included preparing financial projections for the years ended 31 March 2021 and 2022. As a result, the Directors have concluded that, following the restructuring programme undertaken during the year, there are sufficient funds within the Group at the date of signature of the financial statements to manage any foreseeable downturn in the UK and the global economy.

The Directors also consider that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for these reasons the Directors continue to adopt the 'going concern' basis in preparing the financial statements.

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Crowe U.K. LLP will therefore continue in office.

This report has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small entities.

BY ORDER OF THE BOARD



Gillian Mary Charlesworth
Director

Company Registration Number: 04641522

30th September 2020

CONSTRUCTING EXCELLENCE LIMITED

STATEMENT OF DIRECTORS RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

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

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

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

CONSTRUCTING EXCELLENCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONSTRUCTING EXCELLENCE LIMITED

Opinion

We have audited the financial statements of Constructing Excellence Limited for the year ended 31 March 2020 which comprise the Profit and Loss Account, 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 31 March 2020 and of its profit for the year then ended;
- 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.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

Opinion 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 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.

CONSTRUCTING EXCELLENCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONSTRUCTING EXCELLENCE 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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, 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 in preparing the directors report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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 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 an auditor's 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.

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 auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

N. Hashemi

Naziar Hashemi
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
55 Ludgate Hill
London
EC4M 7JW

2 October 2020

CONSTRUCTING EXCELLENCE LIMITED**PROFIT AND LOSS ACCOUNT**
For the year ended 31 March 2020

	Note	2020 £'000	2019 £'000
Turnover	2	345	393
Operating expenses		(265)	(494)
Profit/ (loss) on ordinary activities before taxation		80	(101)
Tax on profit / (loss)	5	-	1
Profit/ (Loss) for the financial period		80	(100)

There was no other comprehensive income for either period.

The accompanying notes on pages 8 to 11 form an integral part of these financial statements.

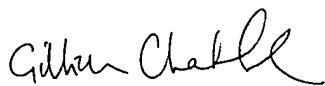
CONSTRUCTING EXCELLENCE LIMITED**BALANCE SHEET**
As at 31 March 2020

	Note	2020 £'000	2019 £'000
Current assets			
Debtors	6	83	96
Cash		<u>119</u>	<u>34</u>
		202	130
Creditors: amounts falling due within one year	7	(91)	(99)
Net current assets		<u>111</u>	<u>31</u>
Net assets		<u>111</u>	<u>31</u>
Reserves			
Profit and loss account		<u>111</u>	<u>31</u>
		<u>111</u>	<u>31</u>

The accompanying notes on pages 8 to 11 form an integral part of these financial statements.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

These financial statements were approved by the Board of Directors on 30 September 2020



Gillian Mary Charlesworth
Director

Company Registration Number: 04641522

CONSTRUCTING EXCELLENCE LIMITED**STATEMENT OF CHANGES IN EQUITY**

For the year ended 31 March 2020

	Retained earnings	Total reserves
	£'000	£'000
At 31 March 2018	131	131
Loss for the period	(100)	(100)
At 31 March 2019	31	31
Profit for the year	80	80
At 31 March 2020	111	111

CONSTRUCTING EXCELLENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

1 Accounting policies

Company information

Constructing Excellence Limited is a private company limited by guarantee incorporated and domiciled in the United Kingdom. The Company is registered at Companies House England and Wales (registered number 04641522). The address of its registered office is Bucknalls Lane, Garston, Watford, Hertfordshire, WD25 9XX.

The Company's ultimate parent undertaking is BRE Trust, a charitable company limited by guarantee registered in England, and therefore forms part of a public benefit group.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) and the Companies Act 2006. The presentation currency of these financial statements is sterling. The principal accounting policies are set out below. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements:

Going Concern

The Directors have carefully reviewed the financial position of the Company. This review has included the preparation of financial projections for the years ended 31 March 2021 and 2022. As a result, the Directors have concluded that, following the restructuring programme undertaken during the year, there are sufficient funds within the Group at the date of signature of the financial statements to manage any foreseeable downturn in the UK and global economy.

The Directors also consider that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for these reasons the Directors continue to adopt the 'going concern' basis in preparing the financial statements.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The principle accounting policies adopted, judgements and key sources of estimation uncertainty in the presentation of the financial statements are as follows:

Income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Company and the income can be reliably measured. Income is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Income is recognised when work is performed.

Expenditure

Resources expended are accounted for when incurred. Costs and overheads are directly allocated to activities for generating funds.

Basic financial instruments

Debtors

Debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If the arrangement constitutes a financial transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate for a similar debt instrument.

Creditors

Creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate for a similar debt instrument.

CONSTRUCTING EXCELLENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

1 Accounting policies (continued)

Taxation

Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on all timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Cash

Cash balances are part of the Company's working capital and are kept on current account or short-term deposit.

Pension

The company operates a defined contribution pension scheme for the benefit of its employees. Contributions payable are recognised in the profit and loss account when due. At the balance sheet date there are no unpaid contributions (2019 – £nil) due to the fund.

2 Turnover

Turnover and profit before taxation are attributable to membership fees received from its national members in the UK.

3 Operating profit

The auditor's remuneration of £900 (2019: £900) and tax fees of £700 (2019: £1,000) have been borne by other group companies.

4 Staff costs

Staff costs, including directors' remuneration, during the period amounted to:

	2020 £'000	2019 £'000
Wages and salaries	66	235
Social security costs	16	25
Other pension costs	3	11
	85	271

The average number of employees including directors during the period was 2 (2019: 4).

CONSTRUCTING EXCELLENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

5 Taxation

Analysis of the tax charge

The tax charge on the profit for the period was as follows:

	2020 £'000	2019 £'000
<i>Current tax</i>		
UK corporation tax at 19% (2019: 19%)	-	(1)
<i>Tax reconciliation</i>		
Profit / (Loss) on ordinary activities before taxation	80	(101)
Tax using UK corporation tax rate of 19% (2019: 19%)	15	(19)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	1	1
Other permanent differences	(1)	(1)
Adjustments to tax charge in respect of previous period	-	(1)
Adjust deferred tax to average rate of 19%	(2)	2
Deferred tax not recognised	(13)	17
Total tax charge	-	(1)

6 Debtors

	2020 £'000	2019 £'000
Trade debtors	83	89
Other debtors	-	1
Prepayments and accrued income	-	6
	83	96

Trade debtors are stated net of a provision for impairment of £nil (2019: £nil)

7 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Deferred income	12	12
Trade creditors	1	2
Amounts due to group undertakings	58	63
Social security and other taxes	20	20
Accruals	-	2
	91	99

CONSTRUCTING EXCELLENCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

8 Ultimate parent undertaking and controlling party

The Company is a wholly owned subsidiary of Building Research Establishment Limited (Company Registration Number: 03319324) a company registered in England and Wales.

The ultimate parent undertaking and controlling party is BRE Trust (Company Registration Number: 03282856, Charity Registration Number: 1092193), a company limited by guarantee and a charity registered in England and Wales. It is situated at the address shown at the front of the financial statements.

The largest group of undertakings for which group accounts have been prepared is that headed by BRE Trust. The smallest group of undertakings for which group accounts have been prepared is that headed by BRE Group Limited. The consolidated financial statements of BRE Trust can be obtained from the address shown at the front of the financial statements.

9 Related party transactions

The Company has taken advantage of the exemption available under FRS102 section 33.1A from disclosing transactions with entities that are wholly owned by the group.