

Company Registration Number 02388396

**The Construction Industry Council**

**Company limited by guarantee**

**Annual report**

**31 December 2012**

WEDNESDAY



LD3

\*L2DR2DGP\*

31/07/2013

#102

COMPANIES HOUSE

**The Construction Industry Council**  
**Company limited by guarantee**

**Annual report**

**Year ended 31 December 2012**

---

<b>Contents</b>	<b>Pages</b>
Company information	1
Directors' report	2 to 4
Independent auditor's report to the members	5 to 6
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9 to 12

---

**The Construction Industry Council**  
**Company limited by guarantee**

**Company information**

---

**The board of directors**

P Overall CBE  
Dr G Masterton OBE  
J Pringle  
The Rt Hon N Raynsford MP  
A Skippers  
G C Watts OBE  
S Hornagold

**Company secretary**

G C Watts OBE

**Registered office**

26 Store Street  
London  
WC1E 7BT

**Auditor**

Chantrey Vellacott DFK LLP  
Chartered Accountants and Statutory Auditor  
Russell Square House  
10 - 12 Russell Square  
London  
WC1B 5LF

**The Construction Industry Council  
Company limited by guarantee**

**Directors' report**

**Year ended 31 December 2012**

---

The directors have pleasure in presenting their report and the audited financial statements of the company for the year ended 31 December 2012

The Construction Industry Council (CIC) is governed by a Council which meets three times per year. The Executive Board, which includes the company directors, reports directly to the Council.

The Council is chaired by CIC's Chairman and comprises Representatives from each of the Council's full members. These include the Chairman, Deputy Chairman and Treasurer. In addition the Council may co-opt up to five Representatives who may attend Council meetings but have no voting rights.

The following are members of the Council:

Association for Project Management  
Association for Project Safety  
Association of Building Engineers  
Association of Consultancy and Engineering  
Association of Consultant Architects  
Association of Consultant Approved Inspectors  
British Institute of Facilities Management  
British Institute of Interior Design  
Building Research Establishment  
Building Services Research and Information Association  
Chartered Institute of Architectural Technologists  
Chartered Institute of Building  
Chartered Institute of Plumbing and Heating Engineering  
Chartered Institution of Building Services Engineers  
Chartered Institution of Civil Engineering Surveyors  
Chartered Institution of Highways and Transportation  
Construction Industry Research and Information Association  
Consultant Quantity Surveyors Association  
Ground Forum  
The Higher Education Academy STEM (Built Environment)  
Institute of Clerks of Works and Construction Inspectorate  
Institute of Highway Engineers  
Institute of Specialist Surveyors and Engineers  
Institution of Civil Engineers  
Institution of Structural Engineers  
Landscape Institute  
Local Authority Building Control  
National House-Building Council  
Royal Institute of British Architects  
Royal Institution of Chartered Surveyors  
Royal Town Planning Institute

**The Construction Industry Council  
Company limited by guarantee**

**Directors' report *(continued)***

**Year ended 31 December 2012**

---

**Principal activities and business review**

The principal activity of the company is to co-ordinate and promote joint action on areas of common interest among organisations with in the construction industry. A summary of the results of the period's trading is given on page 6 of the financial statements

**Going Concern**

The financial statements have been prepared on a going concern basis as directors' forecasts indicate that the company will have sufficient resources to continue to trade for the foreseeable future

**Directors**

The directors who served the company during the year were as follows

P Overall CBE  
A Heywood  
Dr G Masterton OBE  
J Pringle  
The Rt Hon N Raynsford MP  
A Skippers  
G C Watts OBE  
S Homagold

S Homagold was appointed as a director on 12 June 2012

A Heywood resigned as a director on 6 December 2012

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

**Directors' responsibilities**

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 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 they are 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 year.

In preparing those 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,
- 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

**The Construction Industry Council  
Company limited by guarantee**

**Directors' report** *(continued)*

**Year ended 31 December 2012**

---

Insofar as the directors are aware

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

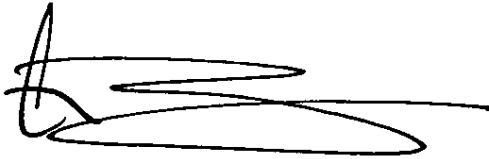
**Auditor**

Chantrey Vellacott DFK LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

**Small company provisions**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed by order of the directors

A handwritten signature in black ink, appearing to be 'G C Watts', with a long horizontal flourish extending to the right.

G C Watts OBE  
Company Secretary

Approved by the directors on

21 May 2013

**The Construction Industry Council  
Company limited by guarantee**

**Independent auditor's report to the members of The Construction Industry Council**

**Year ended 31 December 2012**

---

We have audited the financial statements of The Construction Industry Council for the year ended 31 December 2012 which comprise the profit and loss account, balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

**Respective responsibilities of directors and auditor**

As explained more fully in the directors' responsibilities statement set out on pages 3 to 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**The Construction Industry Council  
Company limited by guarantee**

**Independent auditor's report to the members of The Construction Industry Council  
(continued)**

**Year ended 31 December 2012**

---

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 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

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

**Matters on which we are required to report by exception**

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 in preparing the directors' report

*Chantrey Vellacott DFK LLP*

HELENA WILKINSON (Senior Statutory Auditor)  
for and on behalf of CHANTREY VELLACOTT DFK LLP  
Chartered Accountants and Statutory Auditor  
London

*21 May 2013*



**The Construction Industry Council  
Company limited by guarantee**

**Profit and loss account**

**Year ended 31 December 2012**

---

	Note	2012 £	2011 £
Turnover		2,847,946	1,286,000
Cost of sales		1,810,806	410,473
Gross profit		1,037,140	875,527
Administrative expenses		1,265,270	817,008
Other operating income	2	(253,125)	—
Operating profit	3	24,995	58,519
Interest receivable		3,308	—
Profit on ordinary activities before taxation		28,303	58,519
Tax on profit on ordinary activities	4	4,235	13,179
Profit for the financial year		24,068	45,340

---

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

There is no difference between the results shown above and their historical cost equivalents

**The notes on pages 9 to 12 form part of these financial statements**

---

**The Construction Industry Council  
Company limited by guarantee**

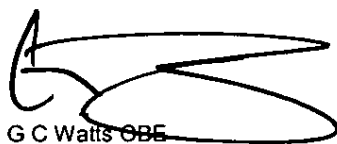
**Balance sheet**

**As at 31 December 2012**

	<b>Note</b>	<b>2012 £</b>	<b>2011 £</b>
<b>Fixed assets</b>			
Tangible assets	5	6,186	9,524
<b>Current assets</b>			
Stocks		9,472	8,498
Debtors	6	833,619	139,173
Cash at bank and in hand		1,317,045	1,264,806
		2,160,136	1,412,477
<b>Creditors amounts falling due within one year</b>	7	2,148,641	1,429,452
<b>Net current assets/(liabilities)</b>		11,495	(16,975)
<b>Total assets less current liabilities</b>		17,681	(7,451)
<b>Reserves</b>	9		
Profit and loss account	10	17,681	(7,451)
<b>Members' funds/(deficit)</b>		17,681	(7,451)

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

These financial statements were approved by the directors and authorised for issue on 21/05/2013 and are signed on their behalf by

  
G C Watts OBE

Company Registration Number 02388396

The notes on pages 9 to 12 form part of these financial statements.

**The Construction Industry Council**  
**Company limited by guarantee**

**Notes to the financial statements**

**Year ended 31 December 2012**

---

**1 Accounting policies**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable United Kingdom accounting standards

**Going Concern**

The financial statements have been prepared on a going concern basis as directors' forecasts indicate that the company will have sufficient resources to continue to trade for the foreseeable future

**Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

**Turnover**

Turnover represents income generated by the company from membership fees receivable, sales of electronic media and publications, the provision of information services and through projects and conferences

All income is derived from the United Kingdom

**Other income**

All other income is credited to the profit and loss account on a receivable basis

**Tangible fixed assets**

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised

**Depreciation**

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

Fixtures & Fittings	- 15% straight line per annum
Equipment	- 33 3% straight line per annum

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

**2 Other operating income**

	2012 £	2011 £
Management charges receivable	<u>253,125</u>	<u>—</u>

**The Construction Industry Council  
Company limited by guarantee**

**Notes to the financial statements**

**Year ended 31 December 2012**

**3 Operating profit**

Operating profit is stated after charging

	2012 £	2011 £
Directors' remuneration	178,521	153,754
Depreciation of owned fixed assets	4,003	1,371
Auditor's remuneration	7,950	12,000
Operating lease costs		
- Other	<u>95,987</u>	<u>95,987</u>

**4 Taxation on ordinary activities**

**(a) Analysis of charge in the year**

	2012 £	2011 £
Current tax		
UK Corporation tax based on the results for the year	<u>4,235</u>	<u>13,179</u>
Total current tax	<u>4,235</u>	<u>13,179</u>

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is at a lower rate than the standard rate of corporation tax in the UK of 20% (2011 - 20%)

	2012 £	2011 £
Profit on ordinary activities before taxation	<u>28,303</u>	<u>58,519</u>
Profit on ordinary activities multiplied by rate of tax	5,661	11,190
Expenses not deductible for tax purposes	269	1,631
Capital allowances for period in excess of depreciation	615	358
Adjustments to tax charge in respect of previous periods	<u>(2,310)</u>	<u>-</u>
Total current tax (note 4(a))	<u>4,235</u>	<u>13,179</u>

**The Construction Industry Council  
Company limited by guarantee**

**Notes to the financial statements**

**Year ended 31 December 2012**

**5 Tangible fixed assets**

	<b>Fixtures &amp; Fittings £</b>	<b>Equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2012	14,761	78,028	92,789
Additions	—	665	665
<b>At 31 December 2012</b>	<b>14,761</b>	<b>78,693</b>	<b>93,454</b>
<b>Depreciation</b>			
At 1 January 2012	14,427	68,838	83,265
Charge for the year	334	3,669	4,003
<b>At 31 December 2012</b>	<b>14,761</b>	<b>72,507</b>	<b>87,268</b>
<b>Net book value</b>			
At 31 December 2012	—	6,186	6,186
At 31 December 2011	334	9,190	9,524

**6 Debtors**

	<b>2012 £</b>	<b>2011 £</b>
Trade debtors	813,116	120,822
Other debtors	20,503	18,351
	<b>833,619</b>	<b>139,173</b>

**7 Creditors amounts falling due within one year**

	<b>2012 £</b>	<b>2011 £</b>
Trade creditors	440,510	18,819
Corporation tax	4,235	—
Taxation and social security	47,600	118,911
Accruals and deferred income	1,660,531	1,291,722
	<b>2,152,876</b>	<b>1,429,452</b>

**The Construction Industry Council  
Company limited by guarantee**

**Notes to the financial statements**

**Year ended 31 December 2012**

**8 Commitments under operating leases**

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as set out below

	2012		2011	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire				
Within one year	-	8,375	-	-
Within two to five years	87,612	-	87,612	8,375
	<u>87,612</u>	<u>8,375</u>	<u>87,612</u>	<u>8,375</u>

**9 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

**10 Profit and loss account**

	2012 £	2011 £
Balance brought forward	(7,451)	(52,791)
Profit for the financial year	<u>24,068</u>	<u>45,340</u>
Balance carried forward	<u>16,617</u>	<u>(7,451)</u>

**11 Related Parties**

The Construction Industry Council received £358,015 (2011 £344,393) in annual subscription fees from the Council Members listed on page 1 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 £25,000 in fee payments (2011 £25,000) from the Consideration Contractor 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 2012 to assist the governance and strategic development of the CCS Ltd in the year. At year end £300 (2011 £nil) was due to The Construction Industry Council by CCS Ltd.

**The Construction Industry Council  
Company limited by guarantee**

**Detailed profit and loss account**

**Year ended 31 December 2012**

	2012 £	2011 £
<b>Turnover</b>		
Project income	2,253,064	772,628
Membership subscription	362,666	351,757
Sale of publications	13,390	13,236
Miscellaneous income and recharges	2,350	8,407
Registration income	216,476	139,972
	<u>2,847,946</u>	<u>1,286,000</u>
<b>Cost of sales</b>		
Opening stock	8,498	9,471
Cost of publications	61,229	148,539
Project expenses	1,750,551	260,961
	<u>1,820,278</u>	<u>418,971</u>
Closing stock	(9,472)	(8,498)
	<u>1,810,806</u>	<u>410,473</u>
<b>Gross profit</b>	<u>1,037,140</u>	<u>875,527</u>
<b>Overheads</b>		
Directors salaries	178,521	153,754
Wages and salaries	674,104	373,397
Rent, rates, and hire of equipment	95,987	95,987
Insurance	5,590	4,869
Repairs and maintenance	9,648	6,629
Travel and subsistence	9,007	7,171
IT, telephone and fax	60,525	41,337
Printing, stationery and postage	18,945	11,988
Office equipment	4,058	566
Room hire and marketing costs	2,599	2,741
Staff benefits and training	12,599	8,239
Recruitment expenses	268	8,100
General expenses	17,521	12,355
Marketing and advertising	575	1,106
Entertaining	5,394	4,003
Irrecoverable VAT	(31,733)	(33,081)
Legal and professional fees	5,805	31,429
Consultancy fees	95,300	49,831
Subscriptions and publications	13,988	8,636
Audit and accountancy	21,700	21,075
Depreciation	4,003	1,371
Provision for doubtful debts	36,003	-
Bank charges	24,863	5,505
	<u>1,265,270</u>	<u>817,008</u>
	(228,130)	58,519
<b>Other operating income</b>		
Management charges receivable	253,125	-
<b>Operating profit</b>	<u>24,995</u>	<u>58,519</u>
 Carried forward	 <u>24,995</u>	 <u>58,519</u>

**The Construction Industry Council  
Company limited by guarantee**

**Detailed profit and loss account**

**Year ended 31 December 2012**

---

	2012 £	2011 £
Brought forward	24,995	58,519
Bank interest receivable	3,308	—
<b>Profit on ordinary activities</b>	<b>28,303</b>	<b>58,519</b>