

COMPANY REGISTRATION NUMBER: 02388396

THE CONSTRUCTION INDUSTRY COUNCIL

Company Limited by Guarantee

CONSOLIDATED FINANCIAL STATEMENTS

31 December 2020

THE CONSTRUCTION INDUSTRY COUNCIL
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

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THE CONSTRUCTION INDUSTRY COUNCIL
COMPANY LIMITED BY GUARANTEE
OFFICERS AND PROFESSIONAL ADVISERS

| | |
|-------------------------------|---|
| The board of directors | Mr J A Sullivan (Appointed 9 June 2020) |
| | Mr SR Hodder MBE |
| | Ms A Bentley (Appointed 30 November 2020) |
| | Mr TD Burton |
| | Miss L Clarke |
| | Mrs M Coulter BEM |
| | Ms J M Evans (Appointed 9 June 2020) |
| | Mr NE Farrer (Resigned 9 June 2020) |
| | Mr NR Mead |
| | Professor JE Nolan CBE (Resigned 9 June 2020) |
| | The Rt Hon N Raynsford |
| | Mr D Sinclair |
| | Miss H Vickers |
| | Mr JG Watkins (Resigned 9 June 2020) |
| | Mr GC Watts OBE |
| | Mr GC Watts OBE |
| Company secretary | Mr GC Watts OBE |
| Registered office | The Building Centre |
| | 26 Store Street |
| | London |
| | WC1E 7BT |
| Auditor | UHY Hacker Young (S.E.) Limited |
| | Chartered accountants & statutory auditor |
| | 168 Church Road |
| | Hove |
| | East Sussex |
| | BN3 2DL |
| Bankers | HSBC |
| | PO Box LB 633 |
| | 39 Tottenham Court Road |
| | London |
| | W1T 2AR |

THE CONSTRUCTION INDUSTRY COUNCIL

COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2020

The directors present their report and the financial statements of the group for the year ended 31 December 2020 .

Principal activities

The principal activity of the company during the year was to co-ordinate and promote joint action on areas of common interest among organisations within the construction industry. The Construction Industry Council (CIC) is governed by a Council which meets three times per year. The Statutory Board, which includes the companies directors, reports directly to the Council. The Council is chaired by CIC's Chair and comprises Representatives from each of the Council's Members. These include: the Chair, Deputy Chair 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 of Consultant Approved Inspectors Association for Consultancy and Engineering Association for Project Management Association for Project Safety Association for Specialist Fire Protection British Approvals for Fire Equipment British Computing Society - the Institute of IT British Institute of Interior Design Building Research Establishment Building Services Research and Information Association Chartered Institute of Architectural Technologists Chartered Institute of Building Chartered Association of Building Engineers Chartered Institute of Building Services Engineers Chartered Institution of Civil Engineering Surveyors Chartered Institution of Highways & Transportation Chartered Institute of Plumbing and Heating Engineering Chartered Institute of Procurement and Supply Construction Industry Research and Information Association Ground Forum Institute of Clerk of Works and Construction Inspectorate Institution of Engineering and Technology - Built Environment Sector Institution of Fire Engineers Institute of Specialist Surveyors and Engineers Institution of Structural Engineers Institute of Workplace and Facilities Management International Institute of Risk & Safety Management 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 Safety Assessment Federation

Directors

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

Mr SR Hodder MBE

Mr TD Burton

Miss L Clarke

Mrs M Coulter BEM

Mr NR Mead

The Rt Hon N Raynsford

Mr D Sinclair
Miss H Vickers
Mr GC Watts OBE
Mr J A Sullivan (Appointed 9 June 2020)
Ms A Bentley (Appointed 30 November 2020)
Ms J M Evans (Appointed 9 June 2020)
Mr NE Farrer (Resigned 9 June 2020)
Professor JE Nolan CBE (Resigned 9 June 2020)
Mr JG Watkins (Resigned 9 June 2020)

As at the date of signing these accounts there is a vacancy on the board which will be filled in due course.

Other matters

The directors are aware of legislation going through Parliament at present and are monitoring it and will take action as the implication for the Construction Industry, The Construction Industry Council and CICAIR Ltd become clear. The directors do not think this will have a major impact on the company in the next twelve months.

Directors' responsibilities statement

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 group and the company and the profit or loss of the group for that period. In preparing these financial statements, the directors are required to: - select suitable accounting policies and then apply them consistently; - make judgments 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. Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and - they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

Small company provisions

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

This report was approved by the board of directors on 22 September 2021 and signed on behalf of the board by:

Mr J A Sullivan

Mr GC Watts OBE

Director

Director

Mr GC Watts OBE

Company Secretary

Registered office:

The Building Centre

26 Store Street

London

WC1E 7BT

THE CONSTRUCTION INDUSTRY COUNCIL

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CONSTRUCTION INDUSTRY COUNCIL

YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of The Construction Industry Council (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the consolidated income statement, company statement of income and retained earnings, consolidated statement of income and retained earnings, consolidated statement of financial position, company statement of financial position and the related notes, 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 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 group's and of the parent company's affairs as at 31 December 2020 and of the group's loss 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent 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 parent company, or returns adequate for our audit have not been received from branches not visited by us; or - the parent company 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' exemptions 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, 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 group's and the parent 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 group or the parent 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. 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: Based on our understanding of the company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and profit. Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with legal advisors, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud. There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. 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 auditor's report. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the

financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. 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.

Charles Homan FCA

(Senior Statutory Auditor)

For and on behalf of

UHY Hacker Young (S.E.) Limited

Chartered accountants & statutory auditor

168 Church Road

Hove

East Sussex

BN3 2DL

22 September 2021

THE CONSTRUCTION INDUSTRY COUNCIL
COMPANY LIMITED BY GUARANTEE
CONSOLIDATED INCOME STATEMENT
YEAR ENDED 31 DECEMBER 2020

| | | 2020 | 2019 |
|--|-------------|------------------|-----------|
| | Note | £ | £ |
| Turnover | | 1,156,063 | 1,170,053 |
| Cost of sales | | 182,609 | 203,735 |
| | | ----- | ----- |
| Gross profit | | 973,454 | 966,318 |
| Administrative expenses | | 1,019,240 | 905,141 |
| Other operating income | | 32,827 | 30,512 |
| | | ----- | ----- |
| Operating (loss)/profit | | (12,959) | 91,689 |
| Other interest receivable and similar income | | 107 | 201 |
| | | ----- | ----- |
| (Loss)/profit before taxation | 5 | (12,852) | 91,890 |
| Tax on (loss)/profit | | (865) | 17,743 |
| | | ----- | ----- |
| (Loss)/profit for the financial year | | (11,987) | 74,147 |
| | | ----- | ----- |

All the activities of the group are from continuing operations.

THE CONSTRUCTION INDUSTRY COUNCIL
COMPANY LIMITED BY GUARANTEE
CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS
YEAR ENDED 31 DECEMBER 2020

| | | 2020 | 2019 |
|---|-------------|------------------|----------|
| | Note | £ | £ |
| (Loss)/profit for the financial year and total comprehensive income | | (11,987) | 74,147 |
| Retained earnings at the start of the year | | 122,546 | 48,399 |
| | | ----- | ----- |
| Retained earnings at the end of the year | | 110,559 | 122,546 |
| | | ----- | ----- |

THE CONSTRUCTION INDUSTRY COUNCIL
COMPANY LIMITED BY GUARANTEE
COMPANY STATEMENT OF INCOME AND RETAINED EARNINGS
YEAR ENDED 31 DECEMBER 2020

| | 2020 | 2019 |
|---|------------------|-------------|
| | £ | £ |
| (Loss)/profit for the financial year and total comprehensive income | (8,645) | 28,169 |
| Retained losses at the start of the year | (78,818) | (106,987) |
| | ----- | ----- |
| Retained losses at the end of the year | (87,463) | (78,818) |
| | ----- | ----- |

THE CONSTRUCTION INDUSTRY COUNCIL
COMPANY LIMITED BY GUARANTEE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 December 2020

| | | 2020 | 2019 |
|---|-------------|----------------|-------------|
| | Note | £ | £ |
| Fixed assets | | | |
| Tangible assets | 6 | 2,329 | 2,160 |
| Current assets | | | |
| Stocks | | 3,207 | 3,475 |
| Debtors | 8 | 117,478 | 39,551 |
| Cash at bank and in hand | | 236,672 | 191,679 |
| | | 357,357 | 234,705 |
| Creditors: amounts falling due within one year | 9 | 249,127 | 114,319 |
| Net current assets | | 108,230 | 120,386 |
| Total assets less current liabilities | | 110,559 | 122,546 |
| Net assets | | 110,559 | 122,546 |
| Capital and reserves | | | |
| Profit and loss account | | 110,559 | 122,546 |
| Members funds | | 110,559 | 122,546 |

These financial statements have been prepared 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'.

These financial statements were approved by the board of directors and authorised for issue on 22 September 2021 , and are signed on behalf of the board by:

Mr J A Sullivan

Director

Mr GC Watts OBE

Director

Company registration number: 02388396

THE CONSTRUCTION INDUSTRY COUNCIL
COMPANY LIMITED BY GUARANTEE
COMPANY STATEMENT OF FINANCIAL POSITION
31 December 2020

| | | 2020 | 2019 |
|---|-------------|------------------|-------------|
| | Note | £ | £ |
| Fixed assets | | | |
| Tangible assets | 6 | 1,985 | 2,160 |
| Current assets | | | |
| Stocks | | 3,207 | 3,475 |
| Debtors | 8 | 80,136 | 43,742 |
| Cash at bank and in hand | | 95,865 | 29,930 |
| | | 179,208 | 77,147 |
| Creditors: amounts falling due within one year | 9 | 268,656 | 158,125 |
| Net current liabilities | | 89,448 | 80,978 |
| Total assets less current liabilities | | (87,463) | (78,818) |
| Net liabilities | | (87,463) | (78,818) |
| Capital and reserves | | | |
| Profit and loss account | | (87,463) | (78,818) |
| Members deficit | | (87,463) | (78,818) |

The loss for the financial year of the parent company was £ 8,645 (2019: £ 28,169 profit).

These financial statements have been prepared 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'.

These financial statements were approved by the board of directors and authorised for issue on 22 September 2021 , and are signed on behalf of the board by:

Mr J A Sullivan

Director

Mr GC Watts OBE

Director

Company registration number: 02388396

THE CONSTRUCTION INDUSTRY COUNCIL

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

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. 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 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. The directors consider that the uncertainty caused in the construction industry as a result of Coronavirus and the restrictions put in place by the government should not materially affect the company's ability to continue as a going concern. The company has taken advantage of the support packages offered by the government, as appropriate, and will continue to review and monitor costs as the situation develops.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The financial statements consolidate the financial statements of The Construction Industry Council and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

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.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

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 and 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.

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.

3. Company limited by guarantee

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.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 11 (2019: 10).

The Construction Industry Council employed 4 (2019:3) people during the year who worked on CICAIR Ltd activities. The Construction Industry Council employed 1 (2019:Nil) person during the year who worked on Constructionarium Ltd activities.

5. Profit before taxation

Profit before taxation is stated after charging:

| | 2020 | 2019 |
|--|--------------|-------|
| | £ | £ |
| Depreciation of tangible assets | 878 | 1,025 |
| Fees payable for the audit of the financial statements | 9,900 | 9,900 |
| | ----- | ----- |

6. Tangible assets

| Group | Fixtures and fittings | Equipment | Total |
|----------------------------|-----------------------|---------------|---------------|
| | £ | £ | £ |
| Cost | | | |
| At 1 January 2020 | 18,566 | 36,070 | 54,636 |
| Additions | 225 | 822 | 1,047 |
| | ----- | ----- | ----- |
| At 31 December 2020 | 18,791 | 36,892 | 55,683 |
| | ----- | ----- | ----- |
| Depreciation | | | |
| At 1 January 2020 | 16,861 | 35,615 | 52,476 |
| Charge for the year | 402 | 476 | 878 |
| | ----- | ----- | ----- |
| At 31 December 2020 | 17,263 | 36,091 | 53,354 |
| | ----- | ----- | ----- |
| Carrying amount | | | |
| At 31 December 2020 | 1,528 | 801 | 2,329 |
| | ----- | ----- | ----- |
| At 31 December 2019 | 1,705 | 455 | 2,160 |
| | ----- | ----- | ----- |

| Company | Fixtures and fittings | Equipment | Total |
|----------------------------|------------------------------|------------------|---------------|
| | £ | £ | £ |
| Cost | | | |
| At 1 January 2020 | 18,566 | 36,070 | 54,636 |
| Additions | 225 | 306 | 531 |
| | ----- | ----- | ----- |
| At 31 December 2020 | 18,791 | 36,376 | 55,167 |
| | ----- | ----- | ----- |
| Depreciation | | | |
| At 1 January 2020 | 16,861 | 35,615 | 52,476 |
| Charge for the year | 402 | 304 | 706 |
| | ----- | ----- | ----- |
| At 31 December 2020 | 17,263 | 35,919 | 53,182 |
| | ----- | ----- | ----- |
| Carrying amount | | | |
| At 31 December 2020 | 1,528 | 457 | 1,985 |
| | ----- | ----- | ----- |
| At 31 December 2019 | 1,705 | 455 | 2,160 |
| | ----- | ----- | ----- |

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

| | Group | | Company | |
|---------------|----------------|-------------|----------------|-------------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Trade debtors | 79,171 | 18,389 | 58,844 | 18,389 |
| Other debtors | 38,307 | 21,162 | 21,292 | 25,353 |
| | ----- | ----- | ----- | ----- |
| | 117,478 | 39,551 | 80,136 | 43,742 |
| | ----- | ----- | ----- | ----- |

9. Creditors: amounts falling due within one year

| | Group | | Company | |
|---|---------|---------|---------|---------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Bank loans and overdrafts | — | — | — | 21,213 |
| Trade creditors | 95,880 | 31,912 | 70,396 | 30,897 |
| Amounts owed to group undertakings and undertakings in which the company has a participating interest | — | — | 96,057 | 39,293 |
| Corporation tax | — | 17,743 | — | 6,958 |
| Social security and other taxes | 29,566 | 17,582 | 22,610 | 17,582 |
| Other creditors | 123,681 | 47,082 | 79,593 | 42,182 |
| | 249,127 | 114,319 | 268,656 | 158,125 |

10. Operating leases

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

| | Group | | Company | |
|--|-------|-------|---------|-------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Not later than 1 year | 3,152 | 3,152 | 3,152 | 3,152 |
| Later than 1 year and not later than 5 years | 6,818 | 6,597 | 6,818 | 6,597 |
| | 9,970 | 9,749 | 9,970 | 9,749 |

11. Related party transactions

Company

The Construction Industry Council received £376,961 (2019: £427,667) 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 £45,081 (2019: £44,101) 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 2020 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 (2019:£92,976). 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 £NIL (2019:£56,764). There were amounts owing to CICAIR Ltd from The Construction Industry Council, amounts owed were £96,057.17 (2019:£39,293) 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 £118,240 (2019:£98,010) from Constructionarium Ltd to reimburse administration and salary arrangements and costs.

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