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REGISTERED NUMBER: 03024675

**CONSTRUCTION SKILLS  
CERTIFICATION SCHEME LIMITED**

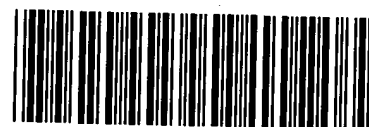
**(A company limited by guarantee)**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 MAY 2016**

RPG CROUCH CHAPMAN LLP  
Chartered Accountants  
62 Wilson Street  
London  
EC2A 2BU

THURSDAY



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**CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED**  
**(A company limited by guarantee)**

**COMPANY INFORMATION**

**DIRECTORS**

J Allott  
D W Barnes (appointed 2 September 2015)  
K Bennett  
M Clapham  
I Dickerson  
S D Murphy (resigned 4 January 2016)  
S Nichol  
G C Tipper  
D Watson  
P J Whitehurst  
B P Rye (appointed 4 January 2016)

**COMPANY SECRETARY**

Breams Secretaries Limited (formerly Breams Registrars and Nominees Limited)

**REGISTERED NUMBER**

03024675

**REGISTERED OFFICE**

8th Floor  
71 Queen Victoria Street  
London  
EC4V 4AY

**INDEPENDENT AUDITORS**

RPG Crouch Chapman LLP  
Chartered Accountants & Registered Auditors  
62 Wilson Street  
London  
EC2A 2BU

**CHAIRMAN**

M. Clapham

**CHIEF EXECUTIVE**

G. Wren

**CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED**  
**(A company limited by guarantee)**

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**CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED**  
**(A company limited by guarantee)**

**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MAY 2016**

The directors present their report and the audited financial statements for the year ended 31 May 2016.

**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 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 judgments 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.

**PRINCIPAL ACTIVITIES**

The principal activity of the company in the year under review was the operation of a skill certification scheme for the construction industry.

**DIRECTORS**

The directors who served during the year were:

J Allott  
D W Barnes (appointed 2 September 2015)  
K Bennett  
M Clapham  
I Dickerson  
S D Murphy (resigned 4 January 2016)  
S Nichol  
G C Tipper  
D Watson  
P J Whitehurst  
B P Rye (appointed 4 January 2016)

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED  
(A company limited by guarantee)

DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MAY 2016

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

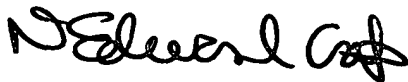
- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, RPG Crouch Chapman LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the board on **14 September 2016** and signed on its behalf.



Edward Craft for and on behalf of  
Brems Secretaries Limited  
Secretary

**CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CONSTRUCTION SKILLS  
CERTIFICATION SCHEME LIMITED**

We have audited the financial statements of Construction Skills Certification Scheme Limited for the year ended 31 May 2016, set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

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. 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 Directors' report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**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 May 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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 and financial statements for the financial year for which the financial statements are prepared is consistent with the financial statements.

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED  
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CONSTRUCTION SKILLS  
CERTIFICATION SCHEME LIMITED

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 to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report and financial statements.

*N. H. Heath*

Nicholas Heath MA ACA (Senior statutory auditor)

for and on behalf of  
RPG Crouch Chapman LLP

Chartered Accountants  
Registered Auditors

62 Wilson Street  
London

EC2A 2BU

Date: *12th October 2016*

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED  
(A company limited by guarantee)

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MAY 2016

	Note	2016 £	2015 £
TURNOVER	1	3,240,948	3,090,195
Cost of sales		(1,575,969)	(2,099,541)
GROSS PROFIT		1,664,979	990,654
Administrative expenses		(1,005,001)	(766,954)
Other operating income	2	147,227	69,625
OPERATING PROFIT	3	807,205	293,325
Loss on disposal of investments		(10,000)	-
Interest receivable and similar income		4,045	2,817
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		801,250	296,142
Tax on income from third parties		(809)	(563)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		800,441	295,579
PROFIT BROUGHT FORWARD		2,339,155	2,043,576
RETAINED PROFIT CARRIED FORWARD		3,139,596	2,339,155

The notes on pages 7 to 12 form part of these financial statements.



# CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED

(A company limited by guarantee)

REGISTERED NUMBER: 03024675

## BALANCE SHEET AS AT 31 MAY 2016

	Note	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Tangible assets	5		11,496		6,638
<b>CURRENT ASSETS</b>					
Stocks		457,033		359,728	
Debtors	6	945,959		768,194	
Cash at bank		2,043,502		1,617,866	
		<u>3,446,494</u>		<u>2,745,788</u>	
CREDITORS: amounts falling due within one year	7	(318,394)		(203,271)	
<b>NET CURRENT ASSETS</b>			<u>3,128,100</u>		<u>2,542,517</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>3,139,596</u>		<u>2,549,155</u>
<b>PROVISIONS FOR LIABILITIES</b>					
Other provisions	8		-		(210,000)
<b>NET ASSETS</b>			<u>3,139,596</u>		<u>2,339,155</u>
<b>CAPITAL AND RESERVES</b>					
Profit and loss account	9		<u>3,139,596</u>		<u>2,339,155</u>
	10		<u>3,139,596</u>		<u>2,339,155</u>

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on **14 SEP 2016**

**M Clapham**  
Chairman



The notes on pages 7 to 12 form part of these financial statements.

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED  
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2016

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Consolidation

During the year the company disposed of Constructing Better Health Limited of which it was previously the sole member. The company was therefore part of a small group and is exempt from the requirement to produce group accounts. The financial statements therefore present information about the company as an individual undertaking and not about its group.

Cash flow

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover represents the invoiced amount of services rendered to members.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & fittings	-	Over 4 years
Office equipment	-	Over 4 years
Computer equipment	-	Over 3 years

Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Stocks

The stock of Smart Cards are valued at the lower of cost and net realisable value, being the estimated selling price less costs to sell. Cost includes the purchase of cards and the programming and personalisation required before the cards are sent to customers.

Taxation

Corporation tax is provided on income received from third parties, as the Company is not taxed on income received from its members as this is treated as mutual trading.

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED  
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2016

1. ACCOUNTING POLICIES (continued)

Reserves

The Directors' objective is to maintain a sufficient level of free reserves having taken account of the ongoing working capital requirement to cover one year of running costs. Surpluses will be used to fund training and charitable causes relevant to the industry. (See note 15).

2. OTHER OPERATING INCOME

	2016 £	2015 £
Sundry income	147,227	69,625

3. OPERATING PROFIT

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the company	10,739	6,489
Auditors' remuneration	3,000	2,800
Auditors' remuneration - non-audit	1,350	2,100
Pension costs	21,721	17,524

During the year, no director received any emoluments (2015 - £NIL).

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED  
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2016

4. DIRECTORS' REMUNERATION

The directors received no remuneration or retirement benefits. The chairman received consultancy fees of £15,750 (2015: £15,000) and was reimbursed £643 (2015: £2,618) for travel expenses during the year.

5. TANGIBLE FIXED ASSETS

	Fixtures & fittings £	Office equipment £	Computer equipment £	Total £
<u>Cost</u>				
At 1 June 2015	3,558	-	16,801	20,359
Additions	8,860	3,149	3,588	15,597
Disposals	(3,558)	-	(15,274)	(18,832)
At 31 May 2016	8,860	3,149	5,115	17,124
<u>Depreciation</u>				
At 1 June 2015	1,834	-	11,887	13,721
Charge for the year	3,939	1,039	5,761	10,739
On disposals	(3,558)	-	(15,274)	(18,832)
At 31 May 2016	2,215	1,039	2,374	5,628
<u>Net book value</u>				
At 31 May 2016	6,645	2,110	2,741	11,496
At 31 May 2015	1,724	-	4,914	6,638

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED  
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2016

6. DEBTORS

	2016 £	2015 £
<u>Due after more than one year</u>		
Amounts owed by group undertakings	-	210,000
<u>Due within one year</u>		
Trade debtors	681,653	295,720
Other debtors	264,306	262,474
	<u>945,959</u>	<u>768,194</u>

Amounts owed by group undertaking Constructing Better Health Limited £Nil (2015 - £210,000) are no longer due following the sale of the company. Constructions Skills Certification Scheme Limited agreed to discharge and release all sums owed to it as part of the sale arrangement.

7. CREDITORS:  
Amounts falling due within one year

	2016 £	2015 £
Trade creditors	211,061	18,048
Corporation tax	809	563
Other taxation and social security	87,855	74,745
Other creditors	18,669	109,915
	<u>318,394</u>	<u>203,271</u>

8. PROVISIONS

	Provisions £
At 1 June 2015	210,000
Amounts used	(210,000)
At 31 May 2016	<u>-</u>

The provision against amounts owed by Constructing Better Health Limited has been released following the sale of that company as detailed in note 6.

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED  
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2016

9. RESERVES

	Profit and loss account £
At 1 June 2015	2,339,155
Profit for the financial year	800,441
At 31 May 2016	<u>3,139,596</u>

10. RECONCILIATION OF MOVEMENT IN MEMBERS' FUND

	2016 £	2015 £
Opening members' funds	2,339,155	2,043,576
Profit for the financial year	800,441	295,579
Closing members' funds	<u>3,139,596</u>	<u>2,339,155</u>

11. COMPANY STATUS

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

12. OPERATING LEASE COMMITMENTS

At 31 May 2016 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Equipment	
	2016 £	2015 £	2016 £	2015 £
<u>Expiry date:</u>				
Within 1 year	39,728	42,552	-	-
Between 2 and 5 years	-	-	1,092	1,092

13. RELATED PARTY TRANSACTIONS

During 2015 a sponsorship payment £8,100 was paid to the National Specialist Contractor's Council (NSCC Limited) a company in which S. Nichol is the Chief Executive. No amounts were paid in 2016.

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED  
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2016

14. CONSTRUCTING BETTER HEALTH LTD

In 2012 Construction Skills Certification Scheme Limited became the only member of this company which is limited by guarantee. The guarantee was £1 in the event of Constructing Better Health Limited being wound up. During the year the company disposed of its membership and therefore no longer exercised any control over Constructing Better Health Limited at the year end. The loan to Constructing Better Health Limited was written off and the provision of £210,000 previously made against the loan was therefore crystallised.

15. ANALYSIS OF NET ASSETS

	2016 £	2015 £
Tangible fixed assets	11,496	6,638
Cash held as working capital	760,000	760,000
Cash held for other projects	700,000	700,000
Contract cessation contingency	1,500,000	-
Other current assets	486,494	1,285,789
Creditors due within one year	(318,394)	(203,271)
Other provisions	-	(210,000)
Total	<u>3,139,596</u>	<u>2,339,156</u>

In accordance with the Reserves Policy as described in Note 1, the net assets of the company have been attributed between asset categories. Included within these is an indication of the funds available to support training and charitable causes relevant to the industry and provide for any reorganisation costs arising in the event of significant changes required to service provision.