

Registered number: 03024675

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED

(A company limited by guarantee)

FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2017

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

THURSDAY



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COMPANIES HOUSE

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	J Allott D W Barnes K Bennett M Clapham I R Dickerson S M Nichol B P Rye G C Tipper D M Watson P J Whitehurst
Company secretary	Breams Secretaries Limited
Registered number	03024675
Registered office	Floor 8 71 Queen Victoria Street London EC4V 4AY
Independent auditors	RPG Crouch Chapman LLP Chartered Accountants & Statutory Auditors 62 Wilson Street London EC2A 2BU

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 2017

The directors present their report and the financial statements for the year ended 31 May 2017.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements 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 to 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.

Directors

The directors who served during the year were:

J Allott
D W Barnes
K Bennett
M Clapham
I R Dickerson
S M Nichol
B P Rye
G C Tipper
D M Watson
P J Whitehurst

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2017

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 the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the 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.

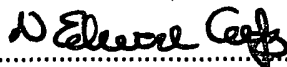
Auditors

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

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on **19 September 2017** 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 2017, set out on pages 5 to 14. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 on page 1, 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 Financial Reporting Council'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 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 2017 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.

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED
(A Company Limited by Guarantee)

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

Opinion on other matter 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 those financial statements and this report has been prepared in accordance with applicable legal requirements.

In the light of our 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.

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 and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

RPG Crouch Chapman LLP

Steven Johnson BENG (HONS) ACCA (Senior statutory auditor)

for and on behalf of
RPG Crouch Chapman LLP

Chartered Accountants
Statutory Auditors

62 Wilson Street
London
EC2A 2BU
Date: 03/10/17

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED
(A Company Limited by Guarantee)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MAY 2017

	Note	2017 £	2016 £
Turnover		3,064,932	3,388,175
Cost of sales		(1,894,942)	(1,575,969)
Gross profit		1,169,990	1,812,206
Administrative expenses		(913,335)	(1,005,001)
Operating profit		256,655	807,205
Amounts written off investments		-	(10,000)
Interest receivable and similar income		795	4,045
Profit before tax		257,450	801,250
Tax on profit		(158)	(809)
Profit for the financial year		257,292	800,441

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2017 (2016: £NIL).

The notes on pages 8 to 14 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 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	7	8,895	11,496
		<u>8,895</u>	<u>11,496</u>
Current assets			
Stocks	8	305,063	457,033
Debtors Within One Year	9	264,616	945,958
Cash at bank and in hand	10	3,023,538	2,043,502
		<u>3,593,217</u>	<u>3,446,493</u>
Creditors: amounts falling due within one year	11	(205,225)	(318,394)
Net current assets		<u>3,387,994</u>	<u>3,128,100</u>
Total assets less current liabilities		<u>3,396,889</u>	<u>3,139,596</u>
Net assets		<u><u>3,396,888</u></u>	<u><u>3,139,596</u></u>
Capital and reserves			
Profit and loss account		<u>3,396,888</u>	<u>3,139,596</u>
		<u><u>3,396,888</u></u>	<u><u>3,139,596</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on **19 September 2017**



M Clapham

Chairman

Director

The notes on pages 8 to 14 form part of these financial statements.

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2017

	Profit and loss account £	Total equity £
At 1 June 2016	3,139,596	3,139,596
Profit for the year	257,292	257,292
At 31 May 2017	<u>3,396,888</u>	<u>3,396,888</u>

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2016

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

The notes on pages 8 to 14 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 2017

1. General information

The Construction Skills Certification Scheme Limited is a private company limited by guarantee, incorporated and registered in the United Kingdom. Its registered office address is Floor 8, 71 Queen Victoria Street, London, EC4V 4AY. The head office is 3rd Floor, 26 Store Street, London, WC1E 7BT. The registered number of the company is 03024675.

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

2. Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

2. Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	25% Over 4 years.
Office equipment	-	25% Over 4 years.
Computer equipment	-	33% Over 3 years.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

2. Accounting policies (continued)

Financial instruments (continued)

puttable ordinary shares.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

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 18).

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The directors do not consider there to be any judgements or key sources of estimation uncertainty that require specific disclosure.

4. Auditors' remuneration

	2017 £	2016 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	4,600	4,350
Fees payable to the Company's auditor and its associates in respect of:		
Auditors' remuneration	3,170	3,000
Auditors' remuneration - non audit	1,430	1,350
	<u>4,600</u>	<u>4,350</u>

5. Employees

The average monthly number of employees, including directors, during the year was 5 (2016 - 5).

6. Directors' remuneration

The directors received no remuneration or retirement benefits. The chairman received consultancy fees of £16,500 (2016: £15,750) and was reimbursed £855 (2016: £643) for travel expenses during the year.

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

7. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 June 2016	8,860	3,149	5,115	17,124
Additions	-	-	2,907	2,907
At 31 May 2017	8,860	3,149	8,022	20,031
Depreciation				
At 1 June 2016	2,215	1,040	2,374	5,629
Charge for the year on owned assets	2,215	787	2,505	5,507
At 31 May 2017	4,430	1,827	4,879	11,136
Net book value				
At 31 May 2017	4,430	1,322	3,143	8,895
At 31 May 2016	6,645	2,110	2,741	11,496

8. Stocks

	2017 £	2016 £
Finished goods and goods for resale	305,063	457,033
	<u>305,063</u>	<u>457,033</u>

9. Debtors

	2017 £	2016 £
Trade debtors	3,058	681,652
Other debtors	-	27
Prepayments and accrued income	261,558	264,279
	<u>264,616</u>	<u>945,958</u>

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

10. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	3,023,538	2,043,502
	<u>3,023,538</u>	<u>2,043,502</u>

11. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	21,753	211,061
Corporation tax	158	809
Other taxation and social security	91,312	87,855
Other creditors	20,267	6,764
Accruals and deferred income	71,735	11,905
	<u>205,225</u>	<u>318,394</u>

12. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at fair value through profit or loss	3,023,538	2,043,502
	<u>3,023,538</u>	<u>2,043,502</u>

Financial assets measured at fair value through profit or loss comprise bank and cash.

13. 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.

CONSTRUCTION SKILLS CERTIFICATION SCHEME LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2017

14. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £15,714 (2016: £11,721). Contributions totalling £4,550 (2016: £2,779) were payable to the fund at the balance sheet date and are included in creditors.

15. Commitments under operating leases

At 31 May 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	41,899	40,820
	<u>41,899</u>	<u>40,820</u>

16. Related party transactions

There were no transactions with related parties that were not considered to be at arms length.

17. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

18. ANALYSIS OF NET ASSETS

	2017 £	2016 £
Tangible Fixed Assets	8,895	11,496
Cash held as working capital	1,000,000	760,000
Cash held for other projects	-	700,000
Contract cessation contingency	2,000,000	1,500,000
Other current assets	593,219	486,494
Creditors due within one year	(205,068)	(318,394)
Total	<u>3,397,046</u>	<u>3,139,596</u>

In accordance with the Reserves Policy as described in Note 2, 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.