

**CONSTRUCTION PRODUCTS ASSOCIATION  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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# CONSTRUCTION PRODUCTS ASSOCIATION

## COMPANY INFORMATION

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**Directors**

C. W. Arntzen  
N. C. Jackson  
I. J. McIlwee  
L. J. R. Cohen  
M. K. Payne  
C. F. Hayward

**Secretary**

D. M. Montgomery

**Company number**

03861752

**Registered office**

The Building Centre  
26 Store Street  
London  
WC1E 7BT

**Auditor**

Begbies Chartered Accountants  
9 Bonhill Street  
London  
EC2A 4DJ

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# **CONSTRUCTION PRODUCTS ASSOCIATION**

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# CONSTRUCTION PRODUCTS ASSOCIATION

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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

### Principal activities

The principal activity of the company continued to be that of representing our members across industry-wide organisations and alliances, whilst monitoring, supporting and lobbying government and public bodies in the UK and European Union to develop effective, evidence-based policies and solutions.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

C. W. Arntzen

S. R. Harrison

(Resigned 5 November 2020)

N. C. Jackson

I. J. McIlwee

L. J. R. Cohen

M. K. Payne

C. F. Hayward

Mr M Rasmussen

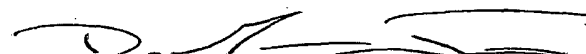
(Appointed 15 April 2020 and resigned 26 November 2020)

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

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

By order of the board



.....  
D. M. Montgomery

Secretary

12<sup>th</sup> March 2021

Date: .....

# **CONSTRUCTION PRODUCTS ASSOCIATION**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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The directors are responsible for preparing the annual 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 surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

# CONSTRUCTION PRODUCTS ASSOCIATION

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF CONSTRUCTION PRODUCTS ASSOCIATION

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#### Opinion

We have audited the financial statements of Construction Products Association (the 'company') for the year ended 31 December 2020 which comprise the income and expenditure account, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 company's affairs as at 31 December 2020 and of its surplus 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.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

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

#### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

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

**CONSTRUCTION PRODUCTS ASSOCIATION**  
**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE MEMBERS OF CONSTRUCTION PRODUCTS ASSOCIATION**

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters 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.

**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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

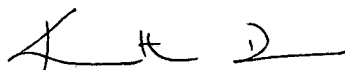
**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Katherine Dee FCA (Senior Statutory Auditor)**  
**for and on behalf of Begbies Chartered Accountants**

1 April 2021

**Chartered Accountants**  
**Statutory Auditor**

9 Bonhill Street  
London  
EC2A 4DJ

**CONSTRUCTION PRODUCTS ASSOCIATION**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
Income		1,185,683	1,443,284
Expenses		(1,186,450)	(1,424,877)
<b>Operating (deficit)/surplus</b>		(767)	18,407
Interest receivable and similar income		1,199	2,088
<b>Surplus before taxation</b>		432	20,495
Tax on surplus	3	1,705	(3,504)
<b>Surplus for the financial year</b>		2,137	16,991



# CONSTRUCTION PRODUCTS ASSOCIATION

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	4		20,567		11,406
<b>Current assets</b>					
Debtors	5	124,359		141,657	
Cash at bank and in hand		968,865		738,800	
		1,093,224		880,457	
<b>Creditors: amounts falling due within one year</b>	6	(454,024)		(234,233)	
<b>Net current assets</b>			639,200		646,224
<b>Total assets less current liabilities</b>			659,767		657,630
<b>Provisions for liabilities</b>	7		(19,372)		(19,372)
<b>Net assets</b>			640,395		638,258
<b>Reserves</b>					
Income and expenditure account			640,395		638,258
<b>Members' funds</b>			640,395		638,258

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 12 March 2021 and are signed on its behalf by:



.....  
M. K. Payne  
Director

Company Registration No. 03861752

# CONSTRUCTION PRODUCTS ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **1 Accounting policies**

#### **Company information**

Construction Products Association is a private company limited by guarantee incorporated in England and Wales. The registered office is The Building Centre, 26 Store Street, London, WC1E 7BT.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Income and expenditure**

Income and expenses are included in the financial statements in the period to which it relates. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates and value added tax.

#### **1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	5 years
Computers & website	3 - 5 years

#### **1.4 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### **1.5 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# CONSTRUCTION PRODUCTS ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### **1 Accounting policies**

##### ***Classification of financial liabilities***

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

#### **1.6 Taxation**

The company is chargeable to tax. Tax is recognised in the Income and Expenditure Statement. 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.

#### **1.7 Provisions**

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in surplus or deficit in the period in which it arises.

#### **1.8 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.9 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**CONSTRUCTION PRODUCTS ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1 Accounting policies**

**1.10 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 13 (2019 - 12).

	2020 Number	2019 Number
Total	13	12

**3 Taxation**

	2020 £	2019 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	-	3,504
Adjustments in respect of prior periods	(1,705)	-
Total current tax	(1,705)	3,504

**4 Tangible fixed assets**

	Fixtures and fittings £	Computers & website £	Total £
<b>Cost</b>			
At 1 January 2020	45,949	3,903	49,852
Additions	-	15,646	15,646
At 31 December 2020	45,949	19,549	65,498
<b>Depreciation and impairment</b>			
At 1 January 2020	37,145	1,301	38,446
Depreciation charged in the year	2,935	3,550	6,485
At 31 December 2020	40,080	4,851	44,931
<b>Carrying amount</b>			
At 31 December 2020	5,869	14,698	20,567
At 31 December 2019	8,804	2,602	11,406

**CONSTRUCTION PRODUCTS ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

<b>5 Debtors</b>		
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	581	3,563
Other debtors	7,934	36,374
Prepayments and accrued income	115,844	101,720
	<u>124,359</u>	<u>141,657</u>
<b>6 Creditors: amounts falling due within one year</b>		
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	2	2
Trade creditors	15,706	27,782
Corporation tax	1,800	3,504
Other taxation and social security	185,419	15,732
Deferred income	192,479	73,229
Other creditors	9,036	12,321
Accruals	49,582	101,663
	<u>454,024</u>	<u>234,233</u>
Lloyds bank holds a fixed charge against the company's assets.		
<b>7 Provisions for liabilities</b>		
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Dilapidations	<u>19,372</u>	<u>19,372</u>
<b>8 Deferred income</b>		
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Deferred subscriptions & event income	<u>192,479</u>	<u>73,229</u>
<b>9 Retirement benefit schemes</b>		
	<b>2020</b>	<b>2019</b>
<b>Defined contribution schemes</b>	<b>£</b>	<b>£</b>
Charge to profit or loss in respect of defined contribution schemes	<u>52,302</u>	<u>55,977</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

# CONSTRUCTION PRODUCTS ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 10 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

### 11 Financial commitments, guarantees and contingent liabilities

At the balance sheet date the Association agreed a contribution to the first stage of establishing the Code for Construction Product information. The total cost of this contribution is agreed to be £47,000. Further details are disclosed in note 13.

### 12 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020 £	2019 £
Within one year	118,636	28,629
Between two and five years	149,681	-
	<u>268,317</u>	<u>28,629</u>

During the year the company signed a new three year lease commencing on the 1st April 2020.

### 13 Related party transactions

During the year the Association received £44,987 (2019: £43,890) as a management fee from The Considerate Constructors Scheme. The transaction is considered to be a related party transaction due to the relationship with Construction Umbrella Bodies (Holdings) Limited, a guarantee company, of which Construction Productions Association has an interest as guarantor. As at 31 December 2020 there were no amounts due from or to Construction Umbrella Bodies (Holdings) Limited (2019: £Nil).

At the year end the company agreed to first stage funding to The Considerate Constructors Scheme for setting up new Code for Construction Product Information (CCPI). The total first stage costs committed were £47,000 of which £19,000 has been accrued in these accounts for work undertaken before the year end.