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FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

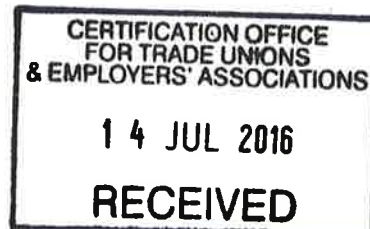
Name of Employers' Association:	Engineering Construction Industry Association
Year ended:	31 December 2015
List No:	244E
Head or Main Office:	5 th Floor Broadway House Tothill Street London SW1H 9NS
Website address (if available)	www.ecia.co.uk
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (Tick as appropriate)
General Secretary:	M J Hockey
Contact name for queries regarding the completion of this return:	M J Hockey
Telephone Number:	020 7799 2000
e-mail:	ecia@ecia.co.uk MichaelHockey@ecia.co.uk

PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.
Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 020 7210 3734

The address to which returns and other documents should be sent are:

For Employers' Associations based in England and Wales:
Certification Office for Trade Unions and Employers' Associations
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Employers' Associations based in Scotland:
Certification Office for Trade Unions and Employers' Associations
Melrose House, 69a George Street, Edinburgh EH2 2JG



ECIA Office Bearers @31/12/2015

From 01/01/2015 until 21/05/2015

President Mike Wilkins

Deputy President Nigel Francis

Vice President Ian Guy

From 21/05/2015 until 31/12/2015

President Mike Wilkins

Deputy President Nigel Francis

Vice President Mark Phillips

Vice President Ian Guy

RETURN OF MEMBERS

(see note 9)

NUMBER OF MEMBERS AT THE END OF THE YEAR				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
204	1	-	14	219

OFFICERS IN POST

(see note 10)

Please attach as an annexe to this form a complete list of all officers in post at the end of the year to which this form relates, with the title of each persons office.

CHANGE OF OFFICERS

Please complete the following to record any changes of officers during the twelve months covered by this return.

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date of Change
Vice President	Vacancy	Mark Phillips	21/05/2016

REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year – Restated (£)		£	£
	INCOME		
1,916,904	From Members Subscriptions, levies, etc		1,832,784
27,643	Investment income Interest and dividends (gross)	24,573	
33,091	Bank Deposit interest (gross)	35,532	
92,598	Other (Investment Revaluation)	31,045	
			91,150
-	Other income Rents received	-	
398,127	Insurance commission	440,647	
3,960	Consultancy fees	1,575	
1,446	Publications/Seminars	1,260	
58,800	Spring Ball	52,460	
10,115	Golf Day	-	
71,385	Other	62,576	
			558,518
2,614,069	TOTAL INCOME		2,482,452
	EXPENDITURE		
	Administrative expenses		
1,175,128	Remuneration and expenses of staff	1,185,916	
118,324	Occupancy costs	137,165	
37,492	Printing, Stationery, Post & telephones	31,453	
85,614	Legal and Professional fees	89,291	
44,080	Regional Offices	51,557	
141,436	Travel, hotel & entertaining	240,022	
-	Staff recruitment	-	
164,304	Spring Ball and golf day	114,397	
-	Motor running costs	9,298	
33,178	Computer expenses	36,172	
145,872	Other	-	
			(1,895,271)
(1,945,428)			
-	Other charges		
11,858	Bank charges	-	
54,811	Depreciation	10,547	
5,000	Sums written off	(12,392)	
4,016	Affiliation fees, donations	5,187	
16,695	Conference and meeting fees	476	
600,000	EEF Subscriptions	16,695	
3,000	Contribution to NJC	600,000	
-	Building Maintenance Reserves	-	
-	Exceptional Pension Contribution	-	
			(620,513)
(695,380)			
(18,520)	Taxation		(6,209)
(2,659,328)	TOTAL EXPENDITURE		(2,521,993)

(48,254)	Surplus/Deficit for year	(39,541)
5,104,967	Amount of fund at beginning of year	5,056,708
<u>5,056,708</u>	Amount of fund at end of year	5,017,167

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 2		£	Fund Account £
Name of account:	Building Maintenance Reserve		
Income			
	From members	-	
	Investment income	-	
	Other income (specify)	-	
	Total Income		-
Expenditure			
	Administrative expenses	-	
	Other expenditure (specify)	-	
	Total Expenditure		-
	Surplus (Deficit) for the year		-
	Amount of fund at beginning of year		62,250
	Amount of fund at the end of year (as Balance Sheet)		62,250

BALANCE SHEET AS AT 31 DECEMBER 2015

(see notes 19 and 20)

Previous Year – Restated (£)		£	£
28,738	Fixed Assets (as at page 11)	18,191	
	Investments (as per analysis on page 13)		
1,224,617	Quoted (Market value £1,255,662)	1,255,662	
	Unquoted	-	
1,253,355	Total Investments		1,273,853
	Other Assets		
1,737,463	Sundry debtors	1,435,663	
3,879,843	Cash at bank and in hand	4,326,540	
-	Stocks of goods	-	
-	Others (specify)	-	
5,617,306	Total of other assets		5,762,203
6,870,661	TOTAL ASSETS		7,036,056
	Fund (Account)	62,250	
	Liabilities		
23,892	Trade Creditors	385,377	
31	Tax payable	31	
179,675	Sundry creditors	151,480	
1,384,833	Accrued expenses	1,250,270	
163,272	Provisions	-	
-	Deferred Taxation	169,481	
(1,813,953)	TOTAL LIABILITIES		(2,018,889)
5,056,708	TOTAL NET ASSETS		5,017,167

FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
COST OR VALUATION				
At start of period		87,185		87,185
Additions during period		-		-
Less: Disposals during period		-		-
Less: DEPRECIATION:		(68,894)		(68,894)
Total to end of period		18,191		18,191
BOOK AMOUNT at end of period		18,191		18,191
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
AS BALANCE SHEET		18,191		18,191

ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £
QUOTED	British Government & British Government Guaranteed Securities	-
	British Municipal and County Securities	-
	Other quoted securities (to be specified)	
	Foreign & Colonial Investment Trust PLC	691,768
	Schroder Managed Balance Fund Income	369,157
	Henderson Global Trust PLC	194,737
	TOTAL QUOTED (as Balance Sheet)	1,255,662
*Market Value of Quoted Investments	1,255,662	

* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

**ANALYSIS OF INVESTMENT INCOME
(CONTROLLING INTERESTS)**
(see notes 23 to 25)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?		YES	NO <input checked="" type="checkbox"/>
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
INCORPORATED EMPLOYERS' ASSOCIATIONS			
Are the shares which are controlled by the association registered in the association's name		YES	NO
If NO, please state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		
UNINCORPORATED EMPLOYERS ASSOCIATIONS			
Are the shares which are controlled by the association registered in the names of the association's trustees?		YES	NO
If NO, state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

SUMMARY SHEET

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	1,832,784		1,832,784
From Investments	91,150		91,150
Other Income (including increases by revaluation of assets)	558,518		558,518
Total Income	2,482,452		2,482,452
EXPENDITURE (including decreases by revaluation of assets)			
Total Expenditure	(2,521,993)		(2,521,993)
Funds at beginning of year (including reserves)	5,056,708		5,056,708
Funds at end of year (including reserves)	5,017,167		5,017,167
ASSETS			
Fixed Assets			18,191
Investment Assets			1,255,622
Other Assets			5,762,203
		Total Assets	7,036,056
LIABILITIES			
		Total Liabilities	2,018,639
NET ASSETS (Total Assets less Total Liabilities)			5,017,167

NOTES TO THE ACCOUNTS

(see note 36)

All notes to the accounts must be entered on or attached to this part of the return.

See attached

ACCOUNTING POLICIES

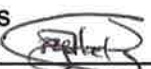

(see notes 37 and 38)

See attached

SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u></u> Name: <u>MICHAEL J. HICKEY.</u> Date: <u>30/06/16.</u>	Chairman's Signature: <u></u> (or other official whose position should be stated) Name: <u>MIKE WILKINS</u> Date: <u>9/7/16</u>
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CHECK LIST

(see note 41)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 3)	YES	✓	NO	
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 3)	YES	✓	NO	
HAS THE RETURN BEEN SIGNED? (see Note 38)	YES	✓	NO	
HAS THE AUDITOR'S REPORT BEEN COMPLETED (see Note 39)	YES	✓	NO	
IS A RULE BOOK ENCLOSED? (see Note 40)	YES	✓	NO	
HAS THE SUMMARY SHEET BEEN COMPLETED (see Notes 6 and 25 to 34)	YES	✓	NO	

AUDITOR'S REPORT

(see notes 42 to 47)

made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?
(See section 36(1) and (2) of the 1992 Act and notes 43 and 44)

YES/ NO

If "No" please explain below.

2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
- (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
 - (b) whether it has maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
 - (c) whether the accounts to which the report relates agree with the accounting records?
- (See section 36(3) of the 1992 Act, set out in note 43)

YES/ NO

If "No" please explain below.

3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
- (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
 - (b) established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.
- (See section 36(4) of the 1992 Act set out in note 43)

YES/ NO

If "No" please explain below.

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR27 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.
(See note 45)

SEE FINANCIAL STATEMENTS

AUDITOR'S REPORT (continued)

Signature(s) of auditor or auditors:	Eric Hindson	
Name(s):	ERIC HINDSON	
Profession(s) or Calling(s):	FCA	
Address(es):	PKF LITTLEJOHN LLP 1 WESTFERRY CIRCUS CANARY WHARF LONDON E14 4HD	
Date:	9 JULY 2016	
Contact name and telephone number:	ERIC HINDSON 0207 516 2223	

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

**ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

ASSOCIATION INFORMATION

REGISTERED OFFICE

Broadway House
Tothill St
London
SW1H 9NS

INDEPENDENT AUDITORS

PKF Littlejohn LLP
Chartered Accountants
1 Westferry Circus
Canary Wharf
London
E14 4HD

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

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**ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION
COUNCIL'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

The Council presents their report and the financial statements for the year ended 31 December 2015.

Council's Responsibilities Statement

The Council has responsibility for ensuring the preparation of the accounts for each financial year which give a true and fair view of the state of the affairs of the Association at the end of the financial year, and of the surplus or deficit of the Association for the financial year. In preparing these Accounts the Council is required to:

- select accounting policies that are most appropriate to the Association's particular circumstances for the purpose of giving a true and fair view, and then applying those accounting policies consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the Accounts on the going concern basis, unless it is inappropriate to presume that the Association will continue in business; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association and enable them to ensure that the Accounts comply with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992. 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.

Results and Dividends

The deficit for the year, after taxation, amounted to £39,541 (2014 - deficit £45,259 (restated)).

Council

The Council members who served during the year was:

Disclosure of Information to Auditors


The Council members at the time when this Council's report is approved has confirmed that:

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

Post Balance Sheet Events

There have been no significant events affecting the Association since the year end.

This report was approved by the Council on and signed on its behalf.


Council 20TH APRIL 2016

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION INDEPENDENT AUDITORS' REPORT

We have audited the Accounts of the Engineering Construction Industry Association for the year ended 31 December 2015, which comprise the Profit and Loss account, Statement of Other Comprehensive Income, the Balance Sheet, Statement of Changes in Equity, the Cash Flow Statement, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Association's members, as a body, in accordance with Section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the Association'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 Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Management Council and Auditors

As explained more fully in the Statement of the Responsibilities of the Council, the Council is responsible for the preparation of the Accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Accounts 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 Accounts

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

Opinion on Accounts

In our opinion the Accounts:

- give a true and fair view of the state of the Association's affairs as at 31 December 2015 and of its deficit for the year then ended;
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Matters on which we are required to report by exception

We are required 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; 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

**ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION
INDEPENDENT AUDITORS' REPORT**

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

PKF Littlejohn LLP

**PKF Littlejohn LLP
Chartered Accountants and Registered Auditors**

20 April 2016

1 Westferry Circus
Canary Wharf
London E14 4HD
United Kingdom

**ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015	<i>Restated</i> 2014
		£	£
Turnover	3	2,391,302	2,460,737
Gross surplus		2,391,302	2,460,737
Administrative expenses		(2,515,784)	(2,640,808)
Other operating gains / (losses)		31,045	92,598
Operating Deficit	6	(93,437)	(87,473)
Income from fixed assets investments	4	24,573	27,643
Interest receivable and similar income	5	35,532	33,091
Deficit on ordinary activities before taxation		(33,332)	(26,739)
Taxation	8	(6,209)	(18,520)
Deficit for the year		(39,541)	(45,259)

All of the above results are derived from continuing activities. There are no other recognised gains and losses other than those stated above.

The notes on pages 12 to 25 form part of these financial statements.

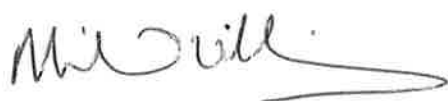
**ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015	<i>Restated</i> 2014
	£	£
Deficit for the financial year	(39,541)	(45,259)
Other comprehensive income		
Building maintenance reserve increase – funds transfer	-	3,000
Other comprehensive income for the year	-	3,000
Total comprehensive income for the year	(39,541)	(42,259)

**ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION
BALANCE SHEET
AS AT 31 DECEMBER 2015**

	Note	2015 £	<i>Restated</i> 2014 £
Fixed assets			
Tangible assets	9	18,191	28,738
Investments	10	1,255,662	1,224,617
		1,273,853	1,253,355
Current assets			
Debtors: Amounts falling due within one year	11	1,435,663	1,737,463
Short term investments – cash deposits	12	3,500,000	3,500,000
Cash at bank and in hand	12	826,540	379,843
		5,762,203	5,617,306
Creditors: Amounts falling due within one year	13	(1,787,158)	(1,588,431)
Net current assets		3,975,045	4,028,875
Total assets less current liabilities		5,248,898	5,282,230
Creditors: Amounts falling due after one year	13	169,481	163,272
Net assets		5,079,417	5,118,958
Capital and reserves			
Other reserves	14	62,250	62,250
Profit and loss account		5,017,167	5,056,708
		5,079,417	5,118,958

The financial statements were approved and authorised for issue by the Council and were signed on its behalf on 20th APRIL 2016



The notes on pages 12 to 25 form part of these financial statements.

**ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION
STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2015**

	Building maintenance reserve	Retained earnings	Total equity
	£	£	£
At 1 January 2015	62,250	5,056,708	5,118,958
Deficit for the year	-	(39,541)	(39,541)
Comprehensive income for the year	<u>62,250</u>	<u>5,017,167</u>	<u>5,079,417</u>
Other comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year	62,250	5,017,167	5,079,417
Total contributions by and distributions to members	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2015	<u>62,250</u>	<u>5,017,167</u>	<u>5,079,417</u>

The notes on pages 12 to 25 form part of these financial statements.

**ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION
STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2014 (Restated)**

	Building maintenance reserve	Retained earnings	Total equity
	£	£	£
At 1 January 2014	59,250	5,249,719	5,308,969
Deferred tax - FRS 102 Transition adjustment	-	(144,752)	(144,752)
Deficit for the year (<i>restated</i>)	-	(45,259)	(45,259)
Comprehensive income for the year	<u>59,250</u>	<u>5,059,708</u>	<u>5,118,958</u>
Other comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year	59,250	5,059,708	5,118,958
Transfer between reserves	3,000	(3,000)	-
Total contributions by and distributions to members	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2014	<u><u>62,250</u></u>	<u><u>5,056,708</u></u>	<u><u>5,118,958</u></u>

The notes on pages 12 to 25 form part of these financial statements.

**ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015	<i>Restated</i> 2014
		£	£
Cash flows from operating activities			
Surplus for the financial year		(39,541)	(45,259)
		<u>(39,541)</u>	<u>(45,259)</u>
Adjustments for:			
Depreciation of tangibles	9	10,547	11,858
Revaluation of investments	10	(31,045)	(92,598)
Interest received		(60,105)	(60,734)
Increase / (decrease) in debtors		301,799	(18,702)
Increase in creditors		204,937	60,696
		<u>386,592</u>	<u>(144,739)</u>
Net cash generated/ (utilised) from operating activities			
Cash flows from investing activities			
Interest received	5	35,532	33,091
Dividends received	4	24,573	27,643
Purchase of tangible fixed assets		-	(9,055)
		<u>60,105</u>	<u>51,679</u>
Net cash from investing activities			
Net increase / (decrease) in cash and cash equivalents		446,697	(93,060)
Cash and cash equivalents at beginning of year	12	3,879,843	3,972,903
		<u>4,326,540</u>	<u>3,879,843</u>
Cash and cash equivalents at the end of year	12	4,326,540	3,879,843
Cash at bank and in hand		<u>4,326,540</u>	<u>3,879,843</u>

**ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. GENERAL INFORMATION

1.1 GENERAL INFORMATION

The Engineering Construction Industry Association (ECIA) is the principal trade and employer Association for the UK Engineering Construction Industry (ECI). The UK ECI designs, constructs and maintains process plant across the oil and gas, water, environmental, steel and metal, cement, glass, paper, brewing and distillation, food, power generation, nuclear waste, reprocessing, pharmaceutical production, petrochemical and chemical sectors.

The ECIA provides its members with a collective voice to represent their interests on all matters affecting their Industry. Through its structure, members enjoy access to Government, legislators, Clients and Trade Unions. It is supported by the statutory Engineering Construction Industry Training Board (ECITB).

The ECIA aims to provide member companies with a range of specialist, quality, value-adding services, designed to assist with the safe and successful management of people on UK engineering construction sites.

The Association is a Trade Association and domiciled in England. The address of its registered office is Broadway House, Tothill Street, London.

1.2 STATEMENT OF COMPLIANCE

The individual financial statements of Engineering Construction Industry Association have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Trade Union and Labour Relations (Consolidation) Act 1992.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Association has adopted FRS 102 in these financial statements. Details of the transition to FRS 102 are disclosed in note 18.

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared on a going concern basis, under the historical costs convention, as modified by the revaluation of land and buildings and certain financial assets and liabilities measured at fair value through profit or loss.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Association's accounting policies.

2.2 REVENUE

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

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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 Association 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.

2.3 DIVIDEND AND INTEREST INCOME

Dividend income is recognised when the right to receive payment is established.
Interest income is recognised in the period in which it was earned.

2.4 EMPLOYEE BENEFITS

The Association provides a range of benefits to employees, including paid holiday arrangements and a defined benefit contribution pension plan.

(a) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

(b) Defined contribution pension plans

The Association operates a defined contribution plan for its employees.

A defined Contribution plan is a pension plan under which the Association pays fixed contributions into a separate entity. Once the contributions have been paid the Association has no further payment obligations.

The contributions are recognised as an expense in the period on which they fall due. Amounts not paid are shown in accruals in the balance sheet.

The assets of the plan are held separately from the Association in independently administered funds.

2.5 TAXATION

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when 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 tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

2.6 TANGIBLE FIXED ASSETS

Tangible fixed assets 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.

The Association adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Association. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

(i) Office and Computer Equipment

Office and computer equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

(ii) Depreciation and residual values

Depreciation on other assets is calculated, using the straight-line method, to allocate the cost to their residual values over their estimated useful lives, as follows:

Office equipment	- 3 to 5 years
Computer equipment	- 3 to 5 years

(iii) Subsequent additions

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

Repairs, maintenance and minor inspection costs are expensed as incurred

(iv) Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in 'Other operating (losses)/gains'

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2.7 LEASED ASSETS

At inception the Association assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

(i) Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

2.8 VALUATION OF INVESTMENTS

Investments in listed shares, which have been classified as fixed asset investments, are re-measured to market value at each Balance sheet date. Gains and losses on re-measurement are recognised in profit or loss for the period.

2.9 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.

2.10 CASH AND CASH EQUIVALENTS

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

2.11 FINANCIAL INSTRUMENTS

The Association only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments, like loans and other accounts receivable and payable, are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payment discounted at a market rate of interest for a similar debt instrument.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- i) At fair value with changes recognised in the Income statement if the shares are publicly traded or their fair value can otherwise be measured reliably;
- ii) At cost less impairment for all other investments.

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Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Association would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.12 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.

2.13 PENSIONS

Defined contribution pension plan

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

The contributions are recognised as an expense in the Income statement 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 Association in independently administered funds.

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3. ANALYSIS OF TURNOVER

An analysis of turnover by class of business is as follows:

	2015	2014
	£	£
Subscriptions	1,832,784	1,916,904
Insurance commission	440,647	398,127
Spring Ball Income	52,460	58,800
Secretarial Fees Income	46,450	46,440
Other Income	18,961	40,466
	<u>2,391,302</u>	<u>2,460,737</u>

All turnover arose within the United Kingdom.

4. INCOME FROM INVESTMENTS

	2015	2014
	£	£
Income from listed investment	24,573	27,643
	<u>24,573</u>	<u>27,643</u>

5. INTEREST RECEIVABLE

	2015	2014
	£	£
Bank interest receivable	35,532	33,091
	<u>35,532</u>	<u>33,091</u>

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6. OPERATING DEFICIT

The operating deficit is stated after charging/(crediting):

	2015	2014
	£	£
Depreciation of tangible fixed assets	10,547	11,121
Professional Fees payable in respect of the Associations' annual accounts	20,961	20,961
Defined contribution pension cost	64,548	69,635

During the year, no Council member received any emoluments (2014 -£NIL).

7. PAYROLL & STAFF COSTS

Payroll and Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	1,004,732	991,608
Social security costs	116,636	113,885
Cost of defined contribution scheme	64,548	69,635
	1,185,916	1,175,128

The average monthly number of employees, including the Managing Director, during the year was as follows:

	2015	2014
	No.	No.
Management	16	16
	2015	2014
	£	£
Key Management Personnel Remuneration	361,126	359,627

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8. TAXATION

		<i>Restated</i>
	2015	2014
	£	£
(a) Analysis of charge in the year		
Current tax:		
UK Corporation Tax based on the surplus of the year	-	-
Tax Refund	-	-
Total current tax (credit)/charge	<u>-</u>	<u>-</u>
Deferred tax:		
Deferred taxation on unrealised investment gains	6,209	18,520
Total deferred tax (credit)/charge	<u>6,209</u>	<u>18,520</u>
Tax (credit)/charge on surplus/(deficit) on ordinary activities	<u>6,209</u>	<u>18,520</u>
 (b) Tax expense included in other comprehensive income and in equity		
Current tax	-	-
Deferred tax	6,209	18,520
Total tax expense included in other comprehensive income	<u>6,209</u>	<u>18,520</u>

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8. TAXATION (Continued)

(c) Reconciliation of tax charge

The tax assessed on the surplus on ordinary activities for the year is the same as the small company rate of Corporation Tax in the UK of 20% (2014 – 20%).

	2015	2014
	£	£
Surplus/(Deficit) on ordinary activities before taxation	(33,332)	(26,737)
Surplus/(Deficit) on ordinary activities by rate of tax	(6,665)	(5,348)
Effects of:		
Disallowable items	12,593	11,528
Capital allowances in excess of depreciation	1,881	281
Deferred tax not recognised	(11,124)	(24,043)
Rate change adjustment	3,315	17,582
Tax Charge for the year	-	-

At 31 December 2015, the Association has accumulated unrecognised tax losses of approximately £1,322,244 (2014 - £1,305,671), which are available to offset future taxable income from the same trade, giving an unrecognised deferred tax asset of £238,004 (2014 - £261,134).

A deferred tax asset has not been recognised on tax losses as the Council of the Association are uncertain as to when they will be utilised.

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9. TANGIBLE FIXED ASSETS

	Office equipment	Computer equipment	Total
	£	£	£
Cost or valuation			
At 1 January 2015	27,021	60,164	87,185
At 31 December 2015	27,021	60,164	87,185
Depreciation			
At 1 January 2015	23,636	34,811	58,447
Charge owned for the period	2,096	8,451	10,547
At 31 December 2015	25,732	43,262	68,994
Net book value			
At 31 December 2015	1,289	16,902	18,191
<i>At 31 December 2014</i>	3,385	25,353	28,738

10. FIXED ASSET INVESTMENTS

	Listed investments £
<u>Valuation</u>	
At 1 January 2015	1,224,617
Revaluations	31,045
At 31 December 2015	1,255,662
At 31 December 2014	1,224,617
<u>Cost - UK Ordinary shares</u>	
At 31 December 2015	408,257
At 31 December 2014	408,257

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11. DEBTORS

	2015	2014
Due within one year	£	£
Trade debtors	1,365,607	1,668,167
Other debtors	26,863	33,922
Prepayments and accrued income	43,194	35,374
	1,435,664	1,737,463

12. CASH AND CASH EQUIVALENTS

	2015	2014
	£	£
Cash held on deposits (maturing > 3 months)	3,500,000	3,500,000
Cash held on call account	105,052	74,191
Cash at bank and in hand	721,488	305,652
	826,540	379,843

13. CREDITORS:

	2015	2014
Amounts falling due within one year	£	£
Trade creditors	385,377	23,892
Corporation tax	31	31
Taxation and social security	151,480	179,675
Accruals and deferred income	1,250,270	1,384,833
	1,787,158	1,588,431
Amounts falling due after one year		
Deferred taxation	169,481	163,272
	169,481	163,272

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14. RESERVES

Building Maintenance Reserve

This reserve is intended to cover major items of maintenance, such as periodic redecoration. There has been no movement in the reserve during the year.

15. PENSION COMMITMENTS

The Association operated a defined contribution pension scheme for all employees within the Company.

Contributions made into this scheme are paid by the Association at rates specified in the rules of the scheme. The assets of the scheme are held separately from those of the Association in an independently-administered fund.

Contributions payable by the Association during the year amounted to £64,548 (2014 - £69,635) and has been recognised in the profit and loss account. As at the balance sheet date, there are outstanding liabilities to be paid over to the fund.

16. COMMITMENTS UNDER OPERATING LEASES

The Association had no commitments under non-cancellable operating leases as at the balance sheet date.

17. CONTROLLING PARTY

The members of the Association are the ultimate controlling party.

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18. FIRST TIME ADOPTION OF FRS 102

This is the first year that the Association has presented its results under FRS 102. The last financial statements under the UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2014.

Set out below are the changes in accounting policies which reconcile profit/loss for the financial year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014 between UK GAAP as previously reported and FRS 102.

	As previously stated 1 January 2014	Effect of transition	FRS 102 (as restated) 1 January 2014	As previously stated 31 December 2014	Effect of transition	FRS 102 (as restated) 31 December 2014
Note	£	£	£	£	£	£
Fixed assets	1,163,560	-	1,163,560	1,253,355	-	1,253,355
Current assets	5,691,664	-	5,691,664	5,617,306	-	5,617,306
Creditors: amounts falling due within one year	(1,546,225)	-	(1,546,225)	(1,588,431)	-	(1,588,431)
Total assets less current liabilities	5,308,869	-	5,308,869	5,282,230	-	5,282,230
Deferred Tax: amounts falling due after one year	-	(145,752)	(144,752)	-	(163,272)	(163,272)
Capital and Reserves	5,308,869	(144,752)	5,164,117	5,282,230	(163,272)	5,118,958

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18. FIRST TIME ADOPTION OF FRS 102 (continued)

		As previously stated 31 December 2014	Effect of transition 31 December 2014	FRS 102 (as restated) 31 December 2014
	Note	£	£	£
Turnover		2,460,737	-	2,460,737
		2,460,737		2,460,737
Administrative expenses	(ii)	(2,643,808)	3,000	(2,640,808)
Other operating gains / (losses)	(iii)	-	92,598	92,598
Operating surplus		(183,071)	95,598	(87,473)
Income from investments		27,643	-	27,643
Interest receivable and similar income		33,091	-	33,091
Deferred Tax charge	(i)	-	(18,520)	(18,520)
		(122,337)	77,078	(45,259)

Explanation of changes to previously reported surplus and equity:

- (i) *Deferred tax provision on cumulative unrealised investment gains. Under previous UK GAAP the Company was not required to provide for taxation on revaluations, unless the Association had entered into a binding sale agreement and recognised the gain or loss expected to arise.*

Under FRS 102 deferred taxation is provided on the temporary difference arising from the revaluation. A deferred tax charge of £144,752 arose on transition to FRS 102 on 1 January 2014 with an increase to the provision during the year to 31 December 2014 of £18,520.

- (ii) *Increase in building maintenance reserve previously accounted and reported through expenditure, which is now accounted for and reported as a movement between reserves (i.e. transfers) in accordance with FRS 102.*

- (iii) *Under FRS 102 gains or losses on revaluation, are reported in the profit and loss account as other operating income or expenditure.*