# **FORM AR27**

Trade Union and Labour Relations (Consolidation) Act 1992

# **ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION**

Name of Employers' Association:	Chemical Industries Association
Year ended:	June 2017
List No:	CO/1090E
Head or Main Office:	Kings Buildings Smith Square London SW1P 3JJ
Website address (if available)	www.cia.org.uk
Has the address changed during the year to which the return relates?	Yes No x (Tick as appropriate)
General Secretary:	Simon Marsh
Contact name for queries regarding the completion of this return:	Leonie Whittingham
Telephone Number:	02079636757
e-mail:	whittinghaml@cia.org.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: 0330 109 3602

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 Lower Ground Floor, Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX

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



(Revised November 2017)

# Chemical Industries Association Limited Officers and Board For the year ended 30 June 2017

The Board consists of a maximum of 10 Directors, comprising the Chief Executive, President of the Association and up to six persons elected from Council members. The Board manages the Association's business. Council consists of a maximum of 32 members, elected from the Association's general membership and focusses on policy issues.

### President

Mr T Crotty Ineos

### Other Board Members

**Dr W Barton OBE** Velocys Technologies Ltd

**Dr T W Bastock OBE** Contract Chemicals

Mr S Elliott (Chief Executive)
Chemical Industries Association

Mr T Jensen BASF

Mr H Swan Thomas Swan & Co Ltd

Mr D Topliffe Shell Chemicals UK

Mr D Tudor Glaxosmithkline

### Secretary (Non member)

Mr S Marsh Chemical Industries Association

# **RETURN OF MEMBERS**

(see note 9)

NUMBER OF MEMBERS AT THE END OF THE YEAR						
Great Britain	(moraling					
94 94						

# **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

# **REVENUE ACCOUNT/GENERAL FUND**

(see notes 11 to 16)

# ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 2	Not applicable		Fund Account
Name of account:		£	£
Income	Net Control of the Co		
	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		al Expenditure icit) for the year	
	Amount of fund at be	8 (8)	
	Amount of fund at the end of year (as		

ACCOUNT 3	Not applicable		Fund Account
Name of account:		£	£
Income	From members Investment income Other income (specify)		
2	J.	Total Income	
		·	
Expenditure	Administrative expenses Other expenditure (specify)		
	Tot	al Expenditure	
		icit) for the year	
	Amount of fund at be		
	Amount of fund at the end of year (as		

# ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 4	Not applicable		Fund Account
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
	Surplus (Det Amount of fund at b		7
	Amount of fund at the end of year (as	Balance Sheet)	

ACCOUNT 5	Not applicable	Fund Account
Name of account:	£	£
Expenditure	From members Investment income Other income (specify)  Total Incom  Administrative expenses Other expenditure (specify)	ne
	Total Expenditu	re
	Surplus (Deficit) for the ye Amount of fund at beginning of ye	ar
	Amount of fund at the end of year (as Balance Shee	

# ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 6	Not applicable		Fund Account
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		otal Expenditure	
	Surplus (De Amount of fund at Amount of fund at the end of year (a		

ACCOUNT 7	Not applicable	Fund Account
Name of account:	£	£
Expenditure	From members Investment income Other income (specify)  Total Income  Administrative expenses Other expenditure (specify)	
	Total Expenditure	
	Surplus (Deficit) for the year	
	Amount of fund at beginning of year	
	Amount of fund at the end of year (as Balance Sheet)	

Previous Year	See attached accounts	£	£
	Fixed Assets (as at page 11)		
	Investments (as per analysis on page 13)		
	Quoted (Market value £ )		
	Unquoted		
	Total Improvements		
	Total Investments Other Assets		
	Sundry debtors		
	Cash at bank and in hand		
	Stocks of goods		
	Others (specify)		
	Total of other		
	assets		
	тот	TAL ASSETS	
	Fund (Account)		
	Fund (Account)		
	Fund (Account)		
	Revaluation Reserve		
	Liabilities		
	Loans		
	Bank overdraft		
	Tax payable		
	Sundry creditors		
	Accrued expenses		
	Provisions		
	Other liabilities	-	
	TOTAL	LIABILITIES	
	TOT	AL ASSETS	

# **FIXED ASSETS ACCOUNT**

(see note 21)

£ £ £ £  COST OR VALUATION At start of period  Additions during period  Less: Disposals during period  Less: DEPRECIATION:  Total to end of period  BOOK AMOUNT at end of period  Freehold  Leasehold (50 or more years unexpired)  Leasehold (less than 50 years unexpired)	See attached accounts	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
At start of period  Additions during period  Less: Disposals during period  Less: DEPRECIATION:  Total to end of period  BOOK AMOUNT at end of period  Freehold  Leasehold (50 or more years unexpired)  Leasehold (less than 50 years	1	£	£		£
Additions during period  Less: Disposals during period  Less: DEPRECIATION:  Total to end of period  BOOK AMOUNT at end of period  Freehold  Leasehold (50 or more years unexpired)  Leasehold (less than 50 years	COST OR VALUATION				
Less: Disposals during period  Less: DEPRECIATION:  Total to end of period  BOOK AMOUNT at end of period  Freehold  Leasehold (50 or more years unexpired)  Leasehold (less than 50 years	At start of period				
Less: Disposals during period  Less: DEPRECIATION:  Total to end of period  BOOK AMOUNT at end of period  Freehold  Leasehold (50 or more years unexpired)  Leasehold (less than 50 years	1				
Less: Disposals during period  Less: DEPRECIATION:  Total to end of period  BOOK AMOUNT at end of period  Freehold  Leasehold (50 or more years unexpired)  Leasehold (less than 50 years					
Less: DEPRECIATION:  Total to end of period  BOOK AMOUNT at end of period  Freehold  Leasehold (50 or more years unexpired)  Leasehold (less than 50 years	Additions during period				
Less: DEPRECIATION:  Total to end of period  BOOK AMOUNT at end of period  Freehold  Leasehold (50 or more years unexpired)  Leasehold (less than 50 years	į.				
Less: DEPRECIATION:  Total to end of period  BOOK AMOUNT at end of period  Freehold  Leasehold (50 or more years unexpired)  Leasehold (less than 50 years					
Total to end of period  BOOK AMOUNT at end of period  Freehold  Leasehold (50 or more years unexpired)  Leasehold (less than 50 years	Less: Disposals during period				
Total to end of period  BOOK AMOUNT at end of period  Freehold  Leasehold (50 or more years unexpired)  Leasehold (less than 50 years					
Total to end of period  BOOK AMOUNT at end of period  Freehold  Leasehold (50 or more years unexpired)  Leasehold (less than 50 years					
BOOK AMOUNT at end of period  Freehold  Leasehold (50 or more years unexpired)  Leasehold (less than 50 years	Less: DEPRECIATION:				
BOOK AMOUNT at end of period  Freehold  Leasehold (50 or more years unexpired)  Leasehold (less than 50 years					
BOOK AMOUNT at end of period  Freehold  Leasehold (50 or more years unexpired)  Leasehold (less than 50 years					
Leasehold (50 or more years unexpired)  Leasehold (less than 50 years	lotal to end of period				
Leasehold (50 or more years unexpired)  Leasehold (less than 50 years					
Leasehold (50 or more years unexpired)  Leasehold (less than 50 years	Đ.				
Leasehold (50 or more years unexpired)  Leasehold (less than 50 years	POOK AMOUNT at and of pariod				
Leasehold (50 or more years unexpired)  Leasehold (less than 50 years	BOOK AWOON I at end of period				
Leasehold (50 or more years unexpired)  Leasehold (less than 50 years					
Leasehold (50 or more years unexpired)  Leasehold (less than 50 years					
Leasehold (50 or more years unexpired)  Leasehold (less than 50 years	Freehold				
Leasehold (less than 50 years					
Leasehold (less than 50 years					
Leasehold (less than 50 years					
Leasehold (less than 50 years	Leasehold (50 or more years				
	4				
unexpirea)					
	unexpired)				
	,				
AS BALANCE SHEET	AS BALANCE SHEET				

# **ANALYSIS OF INVESTMENTS**

(see note 22)

	See attached accounts	Other Funds £
QUOTED	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	TOTAL QUOTED (as Balance Sheet)	
	*Market Value of Quoted Investments	
UNQUOTED	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted securities (to be specified)	
2 8	TOTAL QUOTED (as Balance Sheet)	
	*Market Value of Unquoted Investments	

<sup>\*</sup> 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 x	NO
If YES name the relevant companies:			
COMPANY REGISTRA  COMPANY NAME  registered in England 8  registered)		ATION NUMBER (if not & Wales, state where	
Ciabata Ltd Reach Ready Ltd Chemicals North West Ltd	03892238 05711636 03873806		
	MPLOYERS' ASSOCIA	TIONS	
Are the shares which are controlled by the associassociation's name	ation registered in the	YES x	NO
If NO, please state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHO	LDERS	
			8
UNINCORPORATED	EMPLOYERS ASSOCIA	ATIONS	
Are the shares which are controlled by the association's trustees?  If NO, state the names of the persons in whom the shares controlled by the association are registered.	ation registered in the	YES	NO
COMPANY NAME	NAMES OF SHAREHOI	 _DERS	

# **SUMMARY SHEET**

(see notes 26 to 35)

		All funds except Political Funds £	Political Funds £	Total Funds £
INCOME		3,601,070		3,601,070
From Members		3,062		3,062
From Investments	3			
Other Income (income ass	cluding increases by ets)	1,120,493		1,120,493
	Total Income	4,724,625		4,724,625
EXPENDITURE (including decreas of assets)	ses by revaluation			
or addetey	Total Expenditure	4,261,415		4,261,415
	,			
Funds at beginni (including reserve		2,250,498		2,250,498
Funds at end of y (including reserve		2,713,708		2,713,708
ASSETS				329,487
		Fixed Assets		
		Investment Assets		
		Other Assets		3,448,010
			Total Assets	3,777,497
LIABILITIES			Total Liabilities	1,063,789
NET ASSETS (Total Assets less Total Liabilities)			2,713,708	

# **NOTES TO THE ACCOUNTS**

(see note 36)

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

-4		

# **ACCOUNTING POLICIES**

(see notes 37 and 38)

# SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature: Name: SIMON MARSH	Chairman's Signature: (or other official whose position should be stated)  Name: STEVE ELLIOTT - C/EX.
Date: 30/11/2017	Date: 30 000 2017

# **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)
	,



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)



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)



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 sparal document.

(See note 45)

# **AUDITOR'S REPORT** (continued)

See attruc	A francas Das ement
9	
	1
Signature(s) of auditor or auditors:	
organical of additions.	HANGSTON SMITH LLP, PALINER
Name(s):	
Profession(s) or Calling(s)	SEHALF OF KINGSTON SMITH LIP
Profession(s) or Calling(s):	ICAEN - FLA.
Address(es):	DENO WHY WE HOWSE
	LONCON EUN TAD
Date:	18/12/17
Contact name and telephone number:	0207566 4000

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

# **Chemical Industries Association Limited**

Directors' report and financial statements For the year ended 30 June 2017

# **Chemical Industries Association Limited Contents**

Officers and board	2
Report of the board	3-6
Auditors' Report	7-8
Income & Expenditure account	9
Statement of Changes In Equity	10
Balance Sheet	11
Notes to the accounts	12-20
Members' List	21-22

## Chemical Industries Association Limited Report of the Board For the year ended 30 June 2017

The Board presents the Annual Report and audited financial statements of the Association for the year ended 30 June 2017. This document will be presented to the Board meeting on 30 November 2017.

### Officers

Mr T Crotty remained in office as President during the year. Following a two year term of office elections are due in March 2019.

#### Board

All Directors who served on the Board are listed on page 2 of this report. There are eight members of the Board as at 30 June 2017. The Board met four times during the year. There are no contracts, shareholdings or other arrangements benefiting any member of the Board which requires disclosure in terms of the Companies Act 2006.

### Council

CIA Council is an advisory forum for Directors to liaise with members of the Association. The Council comprises representatives from all categories of membership and is in overall charge of CIA's policy and communications agenda. Chairs of the Strategy Groups are also members of Council.

### Strategies and Issues

Reporting to Council are four Strategy Groups, each chaired by a member of Council with a CIA executive as manager. They are:

Chemicals Management which focuses on providing strategic guidance on chemical policy and voluntary initiatives to manufacturers and their related supply chains,

Responsible Care focuses on performance in safety, health, environment and security as the way CIA delivers industry's Responsible Care commitment to continuous improvement. RCSG is responsible for agreeing and monitoring the strategy to achieve this.

Communications deals with communication issues in support of the industry's relationship with its stakeholders and CIA member companies.

Employment deals with employment issues in support of the industry's relationship with its workforce and their representatives as well as lobbying in employment policy, law and regulation.

The function of the Strategy Groups is to determine strategy and policy within their broad areas of responsibility, to agree priorities, sponsor relevant issues and to oversee the work of the dedicated Issue Teams, supported by their appropriate Networks. All Strategy Groups have met two or three times during 2016/17. Issue teams have a clear remit with defined timescales and measures of success within which to operate. They form the mainstay of CIA and member work activity. Chaired by a member sponsor, these teams are multi-disciplinary, with a limited commitment.

Networks exist for specific subject areas and communicate as necessary moderated by CIA staff. Networks identify future issues, act as sounding boards for ideas on CIA policy and provide a pool of potential support for Issue Teams.

The work of the Association depends crucially on the activities of all the above bodies and on the work done by the other Association committees and sub-committees. The Board wishes to express its gratitude to Member companies and their expert staff, who have supported the Association throughout the period under review.

The Association keeps its members informed of the activities it has undertaken on their behalf via the website, CIA Matters and Bulletin.

### Sector Networks

Sector Networks have a vital role to play within the Association acting as Issue Teams on their sector specific issues. They also form a national Network in their specialism.

The Board members are responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and regulations.

# Chemical Industries Association Limited Report of the Board (Continued) For the year ended 30 June 2017

### Board member responsibilities

Company law requires Board members to prepare financial statements every financial year. Board members 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 Board members must not approve the financial statements unless they are satisfied they give a true and fair view of the affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, Board members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Board members are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and taking such steps as are reasonably open to them to safeguard prevention and detection of fraud and other irregularities.

### Management

For the purposes of the Companies Act 2006, the Board constitutes the Association's directors. The day to day running of the Association is conducted by the Chief Executive supported by a management team of two directors.

### Staff

On 30 June 2017 the number of staff employed by the Association, including the Chief Executive was:

	<u>2017</u>	<u> 2016</u>
Senior Management	3	3
Executives	17	12
Administration	7	6
	27	21

The monthly average number of employees was 24 (2016: 23).

Employees were allocated to the Association and subsidiary activities as follows:

	2017	<u>2016</u>
CIA	23	18
CIABATA	1	1
REACHREADY	3	2
	27	21

The Association continually reviews its available staff skill sets compared with those required to maintain its core activities.

The Association is staffed throughout with talented and committed people. The Board wishes to record its appreciation to all members of staff for their contributions to the Association's work throughout the year.

### Principal activities

The basic objectives and principal activities of the Association are as shown in its Memorandum and Articles of Association and are:

- ·the promotion of the interests of manufacturers, processors, sellers, providers of services and employers in the chemical and allied industries in the United Kingdom;
- the furthering of co-operation between companies engaged in those industries;
- ·the encouragement of efficiency in those industries.

The Association's mission is to represent UK chemical and allied industries to relevant stakeholders and to support our members in achieving economic, social and environmental sustainability.

Details of the Association's work during the year are set out in a separate report by the Chief Executive, which is circulated to members four times a year.

The Association's financial position during 2016-17 has been managed on a sound basis with a view to building reserves.

# Chemical Industries Association Limited Report of the Board (Continued) For the year ended 30 June 2017

#### Association structure

The Association is a company limited by guarantee. There has been no change to its structure during the year.

The constitution allows for a maximum of 10 Board members and, at 30 June 2017, there were eight (2016: 8).

### Membership

On 30 June 2017 there were 94 (2016: 97) subscription-paying companies (listed on pages 21-22).

### Financial review of the year

On the basis of the preliminary estimates of expenditure and trading income for the financial year 2015-16 the Board decided to increase subscriptions by 2.5% for 2016-17.

	<u> 2016-17</u>	<u> 2015-16</u>
Turnover from subscription	3,601,070	3,562,682
Turnover from other operations	1,120,493	1,121,623
Interest receivable	3,062	11,885
Gross income	4,724,625	4,696,190
Surplus after tax for the company	916,210	839,167

### Current year

In the current financial year it is the Association's intention to continue promoting the interests and prosperity of its members within the chemical industry. The level of activities will be consistent with the available resources and the efficient operation of the Association. Surpluses generated are used to meet pension fund deficit obligations which are reflected in the Statement of Changes in Equity on page 10.

### Risks and uncertainties

The Board is responsible for monitoring the Association's internal controls. The Board, supported by the Management Team and an audit committee, review the major risks identified arising from or in connection with the Association's activities and how they might be alleviated. At recent meetings particular attention has been paid to:

- ·continuing subscription income from member companies
- the impact of the economic downturn both on the Association's activities and those of its member companies
- the deficit on the defined benefit pension scheme (closed to further benefit accrual in May 2002)
- ·maintaining ongoing increased payments to address the deficit, since July 2012
- ·the control and management of cash balances
- reviewing and rationalising overhead costs

### Political and charitable contributions

The Association made no political contributions.

No contributions to the Chemical Industries Association Charitable Trust were made during the year (2016 - NIL). The Trust was established by the Association in 1989 to enable member companies to make charitable contributions primarily for educational purposes and was closed in June 2016 as funding is now managed by York University, where the trust is based.

### **Auditors**

Following the recent audit retender process the appointment of the auditors was approved by the Board at their meeting and confirmed at the Annual General Meeting in March 2018.

# Chemical Industries Association Limited Report of the Board (Continued) For the year ended 30 June 2017

### Disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. The directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the company's auditors are 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 Kings Buildings, Smith Square, London SW1P 3JJ

30-Nov-17

Steve Elliott Director T Crotty Chairman

# Chemical Industries Association Limited Independent Auditor's Report to the members of the Chemical Industries Association Limited

### Opinion

We have audited the financial statements of Chemical Industries Association Limited for the year ended 30 June 2017 which comprise the Income and Expenditure account and Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity 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 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 30 June 2017 and of its surplus for the year; 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.

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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.

### **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 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 authorised for issue.

### Other information

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

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

We have nothing to report in this regard.

### Opinions on other 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 the financial statements; and

the directors' report has been prepared in accordance with applicable legal requirements.

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

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

# Chemical Industries Association Limited Independent Auditor's Report to the members of the Chemical Industries Association Limited

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 Report of the Board and from preparing a Strategic Report.

### Responsibilities of directors

As explained more fully in the Statement of Board Members' Responsibilities, Board members, who are also Directors for the purposes of the Companies Act 2006, 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group's internal control. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

•Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

·Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Sandra De Lord (Senior Statutory Auditor) for and on behalf of Kingston Smith LLP, Statutory Auditor

Kingst Smith wil

18.12.17

Devonshire House 60 Goswell Road London EC1M 7AD

# Chemical Industries Association Limited Income and Expenditure Account and Statement of Comprehensive Income For the year ended 30 June 2017

### **Income and Expenditure Account**

	•	2017 £	2016 £
Note 2 Note 5	Turnover from :Subscriptions :Other operations	3,601,070 1,120,493	3,562,682 1,121,623
Note 7 Note 8	Total turnover Administration expenses Other operating expenses Operating Surplus Interest receivable	4,721,563 (3,422,745) (329,870) 968,948 3,062	4,684,305 (3,369,742) (296,060) 1,018,503 11,885
Note 18 Note 6 Note 11	Other finance income/(costs) Surplus on ordinary activities before taxation Taxation	(135,000) 837,011 79,199	(201,000) 829,388 9,779
	Surplus on ordinary activities after taxation	916,210	839,167

### Statement of Other Comprehensive Income

		2017 £	2016 £
Note 18 Note 18	Retained surplus on ordinary activities Movement on Deferred Tax asset relating to Defined Benefit Pension Net Actuarial loss on Defined Benefit Pension	916,210 (196,000) (238,000)	839,167 (157,000) (335,000)
	Total Comprehensive Income for the year	482,210	347,167
	Net Liabilities Brought Forward	(2,000,902)	(2,348,069)
	Net Liabilities Carried Forward	(1,518,692)	(2,000,902)

# Chemical Industries Association Limited Statement of Changes in Equity For the year ended 30 June 2017

	<b>Pension Deficit</b>	Capital Fund	Total
At 1 July 2015	(4,878,400)	2,530,331	(2,348,069)
Profit for the year	5*1	839,167	839,167
Employer contributions	1,320,000	(1,320,000)	*
Net interest	(201,000)	201,000	
Deferred tax on pension deficit	(157,000)	35	(157,000)
Actuarial deficit	(335,000)	neg	(335,000)
At 30 June 2016	(4,251,400)	2,250,498	(2,000,902)
Profit for the year		916,210	916,210
Employer contributions	588,000	(588,000)	
Net interest	(135,000)	135,000	
Deferred tax on pension deficit	(196,000)	*	(196,000)
Actuarial deficit	(238,000)	-	(238,000)
At 30 June 2017	(4,232,400)	2,713,708	(1,518,692)

### Chemical Industries Association Limited Balance sheet At 30 June 2017

			2017		2016
		£	£	£	£
Note 12	FIXED ASSETS				
Note 12	Intangible fixed assets Tangible fixed assets		305,547		
Note 13	Fixed asset investments		23,937		8,964
11016 14	Proce asset myestinenes	9	329,487	<del></del> :	8,967
	CURRENT ASSETS		329,40/		6,907
Note 15	Debtors	780,156		4,835,917	
	Short term deposits	1,050,407		1,047,735	
	Cash at bank and in hand	1,566,931		1,343,529	
		3,397,495		7,227,181	
	CURRENT LIABILITIES				
Note 16	Creditors: Amounts falling due within one year	1,063,789		4,997,903	
	NET CURRENT ASSETS		2,333,705		2,229,278
				•	
	NET ASSETS EXCLUDING PENSION PROVISION		2,663,193		2,238,245
Note 17	Deferred tax		50,515		12,253
Note 18	Defined Benefit Pension Scheme deficit		(4,232,400)		(4,251,400)
	NET LIABILITIES AFTER PENSION SCHEME DEFIC	CIT	(1,518,692)		(2,000,902)
	Represented by:				
Note 18	DEFICIT ON DEFINED BENEFIT SCHEME		(4,232,400)		(4,251,400)
	CAPITAL FUND		2,713,708		2,250,498
			(1,518,692)		(2,000,902)

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

The financial statements pages 8 to 10 were approved by the Audit Committee and ratified by the Board on 30th November 2017

S Elliott, Chief Executive

T Crotty, Chairman

The notes on pages 11 to 21 form part of these financial statements

COMPANY NUMBER: 00860702

### Accounting Policies

### Company information

1

Chemical Industries Association is a private company limited by guarantee that is domiciled and incorporated in England and Wales. The registered office is Kings Buildings, Smith Square, London, SW1P 3JJ.

### Accounting convention

These financial statements have been prepared in accordance with Section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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 pound.

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

### **Going Concern**

The entity's large capital fund and the fact that the pension deficit is not imminently due means that this entity is deemed to be a going concern by its Board.

#### Taxation

The charge for taxation represents the tax currently payable and takes into account taxation deferred because of timing differences.

Deferred tax is recognised, without being discounted, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by the relevant sections of FRS 102.

### Stocks

Stocks of publications and stationery are treated as having zero net realisable value.

### **Intangible Fixed Assets**

Intangible assets represent the cost of the association's website and software. These are amortised over their useful economic lives of 5 years.

### **Tangible Fixed Assets**

Depreciation of fixed assets:

(a) Fixed assets costing more than £1,500

are written off over three years

(b) Assets costing less than £1,500 are

provided in full in the year of purchase.

At each reporting date the company reviews the carrying amounts of its intangible and tangible fixed assets and takes account of changes in estimated useful life and any impairment of value.

### Cash and cash equivalents

Cash and cash equivalents 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.

### Financial Instruments

Basic financial instruments are measured initially at transaction price and subsequently at amortised cost. The company has no other financial instruments or basic financial instruments measured at fair value.

### Revenue

Turnover represents the amount (excluding value added tax) derived from subscriptions and the provision of services. Turnover is recognised at the fair value of the consideration receivable and is shown net of VAT. The fair value takes account of any trade or settlement discounts.

### 1 Accounting Policies (continued)

### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

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.

### Retirement benefits

The Association operates an employee pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Association, being invested with insurance companies. Contributions to the scheme are charged to the income and expenditure account in accordance with a scheme of contributions as agreed with the Scheme Actuary from time to time.

The company has complied fully with Section 28 of FRS 102 (retirement benefits).

### **Operating leases**

Operating lease rentals are charged to the income and expenditure account on a straight line basis over the period of the lease.

### Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

### 2 Turnover from subscriptions

Subscription income is based on Member Company declarations which are accepted by the Association as being valid, without verification, for the purposes of calculating subscription fees due from each Member Company.

### 3 Members' liability

Each member is, in accordance with the Memorandum & Articles of Association, liable to contribute to the assets of the Association such amount as may be required, not exceeding £100, in the event of the Association being wound up. This liability continues for one year after cessation of membership. On 30 June 2017 there were 94 members of the Association so liable (2016 - 97).

### 4 Format of Accounts

The formats for income and expenditure account and balance sheet set out in the Companies Act 2006 have been amended where in the Board's opinion the formats are not applicable to the Association's special circumstances. The Association is a company limited by guarantee, not having a share capital and is principally involved in non-trading activities. In compliance with the Companies Act 2006 the Board presents the financial statements in an amended format.

5	Turnover from other operations		
		2017	2016
		£	£
	Management charges	2	0
	Fees from affiliates and sector groups	23,730	47,273
	Training services & exhibitions	322,926	324,969
	Meetings, conferences & events	329,272	264,615
	CIABATA	312,513	342,475
	REACH	114,333	121,416
	Publications	17,720	20,875
		1,120,493	1,121,623
6	Surplus on ordinary activities before taxation	1	
	Surplus on ordinary activities before taxation is sta	ted	
	after charging	2017	2016
		£	£
	Auditors remuneration: Audit	10,990	10,500
	: Other services including pension audit	1,881	5,884
	Depreciation & Amortisation	25,309	6,197
	Lease payments recognised as an expense	220,685	224,632
7	Administration expenses		
		2017	2016
		£	£
	Training services & exhibitions	227,049	254,394
	Meetings, conferences & events	243,377	172,033
	Charges for affiliates and sector groups	28,601	26,223
	Publications	95,193	93,661
	Staff costs Note 9	1,816,607	1,829,772
	Consultancy costs	177,281	225,990
	Property occupancy	418,585	421,288
	Administration costs	164,248	124,596
	Depreciation & Amortisation	25,310	6,197
	Meetings, travel and other expenses	214,158	204,282
	Bank charges	12,335	11,306
	Bad debts		0
		3,422,745	3,369,742
8	Other operating expenses		
		2017	2016
		£	£
	CEFIC :Subscription	208,096	176,812
	National Chemical Emergency Centre	1,000	1,000
	Confederation of British Industry	22,529	22,087
	Energy Intensive Users' Group	22,500	21,500
	ECEG	19,716	15,010
	Other subscriptions	56,028	59,651
		329,870	296,060
		(P	

The aggregate payroll costs of employees were as follows:		
	2017	20
W. 101' 074 x 66 0 1 0 277	£	
Wages and Salaries : CIA staff, Secondees & NI costs	1,568,792	1,574,8
	182,198	180,
Pension Costs (excluding £588,000 contribution to the DB pension scheme	ne)	
Other Costs	65,617	74,
Staff Costs included in administration expenses	1,816,607	1,829,
Total Staff costs	1,816,607	1,829,
The weekly average number of employees was 24 ( 2016: 23 ).		
Council members and employees		
Neither the President nor any of the Officers and Council members who so pension contributions from the Association in respect of the year ended 30		y emoluments or
Taxation	5 June 2017 (2016: Enil)	
(a) Analysis of charge in the period		
	0015	
	2017	20
	£	20
HK Corporation toy on anymhy for the notice	£	20
UK Corporation tax on surplus for the period	<b>£</b> (34,998)	
Adjustments in respect of previous periods	(34,998) 	4,1
Adjustments in respect of previous periods  Total current tax	<b>£</b> (34,998)	4,1
Adjustments in respect of previous periods  Total current tax  Deferred tax (note 17)	(34,998) 	4,1
Adjustments in respect of previous periods  Total current tax  Deferred tax (note 17)  Origination and reversal of timing differences	(34,998) 75,935 40,937 38,262	4,1 4,1 5,6
Adjustments in respect of previous periods  Total current tax  Deferred tax (note 17)	(34,998) 	4,1 4,1 5,6
Adjustments in respect of previous periods  Total current tax  Deferred tax (note 17)  Origination and reversal of timing differences	(34,998) 75,935 40,937 38,262	4,1 4,1 5,6
Adjustments in respect of previous periods  Total current tax  Deferred tax (note 17)  Origination and reversal of timing differences  Tax on surplus on ordinary activities  (b) Factors affecting tax charge for the period:  The differences are explained below.	(34,998) 75,935 40,937 38,262	4,1 4,1 5,6 9,7
Adjustments in respect of previous periods  Total current tax  Deferred tax (note 17)  Origination and reversal of timing differences  Tax on surplus on ordinary activities  (b) Factors affecting tax charge for the period:  The differences are explained below.  Reported surplus	(34,998) 75,935 40,937 38,262	4,1 4,1 5,6 9,7
Adjustments in respect of previous periods  Total current tax  Deferred tax (note 17)  Origination and reversal of timing differences  Tax on surplus on ordinary activities  (b) Factors affecting tax charge for the period:  The differences are explained below.  Reported surplus  Defined benefit pension scheme contribution	(34,998) 75,935 40,937 38,262 79,199	4,1 4,1 5,6
Adjustments in respect of previous periods  Total current tax  Deferred tax (note 17)  Origination and reversal of timing differences  Tax on surplus on ordinary activities  (b) Factors affecting tax charge for the period:  The differences are explained below,  Reported surplus  Defined benefit pension scheme contribution  Section 28 of FRS 102 pension interest cost	(34,998) 75,935 40,937 38,262 79,199 837,011 (588,000) 135,000	4,1 4,1 5,6 9,7 829,3 (1,320,00
Adjustments in respect of previous periods  Total current tax  Deferred tax (note 17)  Origination and reversal of timing differences  Tax on surplus on ordinary activities  (b) Factors affecting tax charge for the period:  The differences are explained below.  Reported surplus  Defined benefit pension scheme contribution	(34,998) 75,935 40,937 38,262 79,199 837,011 (588,000)	4,1 4,1 5,6 9,7 829,3 (1,320,00 201,0
Adjustments in respect of previous periods  Total current tax  Deferred tax (note 17)  Origination and reversal of timing differences  Tax on surplus on ordinary activities  (b) Factors affecting tax charge for the period:  The differences are explained below.  Reported surplus  Defined benefit pension scheme contribution  Section 28 of FRS 102 pension interest cost	837,011 (588,000) 135,000 384,011	4,1 4,1 5,6 9,7 829,3 (1,320,00 201,00
Adjustments in respect of previous periods  Total current tax  Deferred tax (note 17)  Origination and reversal of timing differences  Tax on surplus on ordinary activities  (b) Factors affecting tax charge for the period:  The differences are explained below.  Reported surplus  Defined benefit pension scheme contribution  Section 28 of FRS 102 pension interest cost  Taxable (deficit) / surplus in ordinary activities before tax  Taxable (deficit) / surplus on ordinary activities multiplied by standard rate	837,011 (588,000) 135,000 384,011	4,1 4,1 5,6 9,7
Adjustments in respect of previous periods  Total current tax  Deferred tax (note 17)  Origination and reversal of timing differences  Tax on surplus on ordinary activities  (b) Factors affecting tax charge for the period:  The differences are explained below.  Reported surplus  Defined benefit pension scheme contribution  Section 28 of FRS 102 pension interest cost  Taxable (deficit) / surplus in ordinary activities before tax  Taxable (deficit) / surplus on ordinary activities multiplied by standard rate  Effects of:	837,011 (588,000) 135,000 384,011 te of 19.75% (2016: 20%)	4,1 4,1 5,6 9,7 829,3 (1,320,00 201,00 (289,61
Adjustments in respect of previous periods  Total current tax  Deferred tax (note 17)  Origination and reversal of timing differences  Tax on surplus on ordinary activities  (b) Factors affecting tax charge for the period:  The differences are explained below.  Reported surplus  Defined benefit pension scheme contribution  Section 28 of FRS 102 pension interest cost  Taxable (deficit) / surplus in ordinary activities before tax  Taxable (deficit) / surplus on ordinary activities multiplied by standard rat  Effects of:  Capital allowances in excess of Depreciation	837,011 (588,000) 135,000 384,011 te of 19.75% (2016: 20%)	4,1 4,1 5,6 9,7 829,3 (1,320,00 201,00 (289,61
Adjustments in respect of previous periods  Total current tax  Deferred tax (note 17)  Origination and reversal of timing differences  Tax on surplus on ordinary activities  (b) Factors affecting tax charge for the period:  The differences are explained below.  Reported surplus  Defined benefit pension scheme contribution  Section 28 of FRS 102 pension interest cost  Taxable (deficit) / surplus in ordinary activities before tax  Taxable (deficit) / surplus on ordinary activities multiplied by standard rat  Effects of:  Capital allowances in excess of Depreciation  Marginal Relief	837,011 (588,000) 135,000 384,011 te of 19.75% (2016: 20%)	4,1 4,1 5,6 9,7 829,3 (1,320,00 201,00 (289,61 (57,92
Adjustments in respect of previous periods  Total current tax  Deferred tax (note 17)  Origination and reversal of timing differences  Tax on surplus on ordinary activities  (b) Factors affecting tax charge for the period:  The differences are explained below.  Reported surplus  Defined benefit pension scheme contribution  Section 28 of FRS 102 pension interest cost  Taxable (deficit) / surplus in ordinary activities before tax  Taxable (deficit) / surplus on ordinary activities multiplied by standard rat  Effects of:  Capital allowances in excess of Depreciation  Marginal Relief  Movements in provision	837,011 (588,000) 135,000 384,011 te of 19.75% (2016: 20%)	4,1 4,1 5,6 9,7 829,3 (1,320,00 201,00 (289,61 (57,92 (1,75
Adjustments in respect of previous periods  Total current tax  Deferred tax (note 17)  Origination and reversal of timing differences  Tax on surplus on ordinary activities  (b) Factors affecting tax charge for the period:  The differences are explained below.  Reported surplus  Defined benefit pension scheme contribution  Section 28 of FRS 102 pension interest cost  Taxable (deficit) / surplus in ordinary activities before tax  Taxable (deficit) / surplus on ordinary activities multiplied by standard rat  Effects of:  Capital allowances in excess of Depreciation  Marginal Relief	837,011 (588,000) 135,000 384,011 te of 19.75% (2016: 20%)	829,3 (1,320,00 201,0 (289,6)

	7		Website	Total
			& CRM £	
	COST:		£	£
	Balance at 1 July 2016		2	
	Additions in year		324,471	324,471
	Disposals in year		J=4)4/-	3-4147-
	Balance at 30 June 2017		324,471	324,471
	DEPRECIATION:			
	Balance at 1 July 2016		*	25
	Charge for the year		18,924	18,924
	Disposals in year		2	-
	Balance at 30 June 2017	14	18,924	18,924
	NET BOOK VALUE at 30 June 2017	(*	305,547	305,547
	NET BOOK VALUE at 30 June 2016	()	*	
13	Tangible Fixed Assets	NA A		
		F&F &	Computer	Total
		Office Refurb £	equipment £	£
	COST:	r.	-	
	Balance at 1 July 2016	168,855	125,979	294,834
	Additions in year	10,735	10,625	21,360
	Disposals in year	1700	(87,940)	(87,940)
	Balance at 30 June 2017	179,590	48,664	228,254
	DEPRECIATION:			
	Balance at 1 July 2016	168,855	117,015	285,870
	Charge for the year	597	5,790	6,387
	Disposals in year	*	(87,940)	(87,940)
	Balance at 30 June 2017	169,452	34,865	204,317
	NET BOOK VALUE at 30 June 2017	10,138	13,799	23,937
	NET BOOK VALUE at 30 June 2016	-	8,964	8,964
14	Fixed assets investments			
	Investments in subsidiary undertakings		2017	2016
	Investments		<b>£</b> 3	<b>£</b> 3

Investments comprise the Association's holdings in CIABATA Ltd (two Ordinary shares of £1 each) and REACHREADY Ltd (one Ordinary share of £1). The Association owns 100% of the ordinary shares of each company, all companies are incorporated in England and Wales. Group accounts have not been prepared to consolidate the Association's subsidiaries, CIABATA Ltd and REACHREADY LTD, on the basis that the consolidated accounts would not be materially different from the accounts prepared for the Association as a single entity.

	2017	2016
	£	£
Trade debtors	373,269	4,445,143
Other debtors	13,490	41,394
Taxation	67,857	-
Prepayments and accrued income	325,540	349,380
	780,156	4,835,917
Creditors: Amounts falling due within one y	ear	
	2017	2016
	£	£
Subscriptions received in advance	57,492	63,012
Frade creditors	344,602	277,514
Other creditors	17,781	19,745
Designated Funds (note 19)	155,132	155,338
Corporation tax	34,998	
Faxation and social security	64,527	725,019
Accruals and deferred income	389,258	3,757,275
	1,063,789	4,997,903
Deferred tax (liability)/asset		
	2017	2016
	£	£
Accelerated depreciation	26,982	(11,833)
Other including bad debt	23,533	24,086
Deferred tax asset	50,515	12,253

The company operates a pension scheme, closed to new members from 1 July 1995 which provides benefits based on final pensionable pay, contributions being charged to the income and expenditure account in line with a scheme of contributions agreed with the Scheme Actuary to eliminate the deficit by January 2025 as required by legislation. From 31 May 2002 the defined benefit accrual ceased and was replaced by defined contribution accrual for all active members of the scheme.

The triennial actuarial valuation in June 2012 used a market based approach, indicating that the market value of the scheme assets was £8.1m and that the funding level of those assets represented 51% of the benefits that had accrued to members. The latest actuarial valuation, performed by The Scheme Actuary for the Trustees in June 2015, was carried out from a Statutory Funding Objective and a buy out solvency basis. The SFO valuation revealed a funding shortfall of £5.8m at a funding level of 64%. The Buy-out solvency valuation revealed a funding shortfall of £10.8m at a funding level of 49%

The Association agreed a schedule of contributions payable from 1 November 2007 to 30 June 2012 of £30,000 per month, subsequently increased to £60,000 from 1 July 2012 to 31 October 2015, in respect of past service. A one off lump sum payment was made to the scheme during 2013-14 of £180,000. During 2015-16 another lump sum payment was made to the scheme of £600,000. From July 2016 contributions to the scheme were revised to £49,000 per month. All contributions are intended to restore the funding level to 100% by January 2025: legislation requires that this schedule should be re-assessed at regular periodic intervals and the contributions increased as necessary. In addition the Association has agreed to pay all expenses of administering the scheme together with premiums for the insured death-in service benefits as they arise.

### 18 Pensions (continued)

The valuation was updated by the actuary on an FRS 102 basis as at 30 June 2017.

Contributions to individual personal pension plans were introduced for new employees effective 1 July 1995. This arrangement ceased in September 2002 and all employer contributions have been paid into a group personal pension plan from 1 October 2002 onwards. Contributions for the year under review amounted to £135,615 (2016: £129,694).

The major assumptions used in this valuation at June 2016 were:	2017	2016
Rate of salary increase (no members accruing benefits on a final salary basis)	N/A	N/A
Allowance for revaluation of deferred pensions	2.50%	2.00%
Allowance for pension in payment increases of RPI or 5% p.a. if less	3.50%	3.00%
Rate of increase in deferred pensions	2,50%	2.00%
Discount rate applied to scheme liabilities	2.40%	2.70%
Inflation assumption	3.30%	2.90%

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

Money purchase contributions to the scheme are not dealt with in this note.

### Scheme assets

The fair value of the scheme's assets, which are not intended to be realised in the short term and may be subject to significant changes before they are realised, and the present value of the scheme's liabilities, which are derived from cash flow projections over long periods and thus inherently uncertain, were:

Equities	Value at 2017 £000 3,462	Value at 2016 £000 3,400
Property	1,077	994
UK Gilts		
Bonds	472	508
Cash	148	200
Liability driven investments	2,486	1,552
Div Growth	4,564	5,118
Total asset value	12,209	11,772
Present value of scheme liabilities	(17,307)	(17,084)
Net liability Less: deferred tax asset at 20%	(5,098)	
Net liability	(4,231)	1,062 (4,250)
Amounts recognised in profit and loss	2017 £000	2016 £000
Interest cost	(135)	(201)
Administration Expenses		
Total	(135)	(201)
Amount recognised in Statement of Other Comprehensive Income		
Actual return on assets less interest	506	419
Actuarial loss on obligations	(744)	(754)
Total	(238)	(335)

### 18 Pensions (continued)

Changes in fair value of scheme ass	ets			2017	2016
				£000	£000
Opening fair value of					
scheme assets				11,772	10,335
Interest income				313	394
Expected return on assets less interest in	come			506	419
Employer contributions				588	1,320
Benefits paid				(969)	(696)
Administration Expenses					
Closing fair value of scheme assets			_	12,210	11,772
Chemical Industries Association expects t	o contribute £588,00	o in the year to 30	June 2018.		
Changes in fair value of defined ben	efit obligation				
				2017	2016
				£000	£000
Opening defined benefit					
obligation				17,084	16,431
Interest cost				448	595
Actuarial loss				744	754
Benefits paid			2	(969)	(696)
Closing defined benefit obligation			0	17,307	17,084
	us four periods are	as follows:	70	17,307	17,084
	us four periods are 2017	as follows: 2016	2015	17,307 <b>2014</b>	17,084
	•		<b>2015</b> £000		2013
Amounts for the current and previo	2017	2016	_	2014	
Closing defined benefit obligation  Amounts for the current and previo  Defined benefit obligation  Plan assets	<b>2017</b> £000	<b>2016</b> £000	£000	<b>2014</b> £000	<b>2013</b> £000

A mortgage charge is held by the defined benefit pension scheme over all monies due or to become due up to a maximum amount of £1,000,000.

### 19 Designated funds

Designated funds represent money subscribed for specific medical, research, educational and other projects held in trust by the Association for those purposes. This includes funds held for the National Sulphuric Acid Association.

### 20 Annual commitments under non-cancellable operating leases

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

2017		2016	
Land and	Other	Land and	Other
buildings		buildings	
£	£	£	£
205,902	7,960	205,902	5,729
411,804	28,654	617,706	(%)
	1,592		20
617,706	38,206	823,608	5,729
	Land and buildings £ 205,902 411,804	Land and Other buildings  £ £  205,902 7,960 411,804 28,654 - 1,592	Land and buildings         Other buildings         Land and buildings           £         £         £           205,902         7,960         205,902           411,804         28,654         617,706           -         1,592         -

### 21 Related party transactions

During the year the company puchased services totalling £76,174 (2016: £49,677) at arm's length from Mint Events Limited, a company in which the director Dr T W Bastock has an interest. At the year end £2,925 was due to Mint Events Limited (2016: £27,143).

### **Chemical Industries Association Limited**

A Company limited by guarantee, not having a

share capital

Registered number: 860702 England

Registered office: Kings Buildings Smith Square London SW1P 3JJ

Telephone: 020 7834 3399

Rankers

National Westminster Bank PLC

63 Piccadilly London W1A 2AG

Auditor:

Kingston Smith LLP Devonshire House, 60 Goswell Road London EC1M 7AD

# Chemical Industries Association Companies in Membership

Full membership of the CIA is open to organisations engaged directly in the manufacture, distribution and/or marketing of chemical products in the UK. All member companies give signatory commitment to the Responsible Care Guiding Principles.

Aesica Pharmaceuticals Ltd

Cristal Pigment UK Ltd

AMOG

Croda International Ltd

Ashland Specialities UK Ltd

**Custom Powders Limited** 

AstraZeneca Group Plc

D

Baker Hughes

**Dow Chemical Company Ltd** 

**Bardyke Chemicals** 

DSM

Basell Polyolefins UK Ltd

Eli Lilly & Co Ltd

**Dow Corning Ltd** 

**BASF Plc** 

**Emerald Materials** 

**Baxenden Chemicals Ltd** 

**EPC UK Additives** 

**Bitrez Limited** 

Essar Oil (UK) Ltd

Bluestar Silicones (UK) Ltd

Esseco UK Ltd

**BP** Chemicals

Evonik Goldschmidt UK

Brenntag UK Ltd

ExxonMobil Chemical Ltd

Briar Chemicals

F

Byk Additives Ltd

**Fine Organics Ltd** 

**FMC Chemicals Ltd** 

Cabot Carbon

Frutarom

Cabot Norit UK Ltd

Calachem

Fujifilm Imaging Colorants

**CF Fertilisers** 

Futamura Chemical UK Ltd

Gantrade Europe Ltd

Chemtura Manufacturing UK Limited

GEO Speciality Chemicals

Chemviron Carbon Ltd

**Chemoxy International** 

GlaxoSmithKline

Clariant Services UK Ltd

**Contract Chemicals Ltd** 

# Chemical Industries Association Limited Companies in Membership

**Halterman Carless Robinson Brothers Limited** Headland Agrochemicals Ltd **SABIC UK Petrochemicals** Hexion UK Ltd Shell Chemicals UK **Huntsman Corporation Ltd** SI Group-UK Ltd **Ineos Chemicals Grangemouth Ltd** Silberline **Ineos Nitriles** Solutia UK Ltd Infineum International Ltd Solvay Solutions UK Innospec Ltd Stepan UK Ltd Inovyn Chlorvinyls Ltd Sterling Pharma Solutions Ltd Syngenta James M Brown Ltd Synthomer Johnson Matthey Edinburgh Johnson Matthey Plc **Tata Chemicals Europe** Tennants Fine Chemicals Ltd Kemira Chemicals (UK) Ltd Thomas Swan & Co Ltd Lankem Ltd **Tradebe Solvent Recycling Ltd** Lanxess Ltd U **UOP Ltd Lotte Chemicals UK Ltd Urenco Chemplants Ltd Lubrizol Ltd** Lucite International Valtris Speciality Chemicals Vcolia ES Cleanaway UK Ltd **MEL Chemicals** Versalis UK Ltd Mexichem UK Ltd Vertellus Specialities Holdings UK Ltd N Nanoco Witton Chemicals Co Ltd **Novartis Grimsby Limited Nufarm Limited Oxford Biotrans** Perstorp UK Ltd

**PQ Silicas**