

Form AR27

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for an Employers' Association

Name of Employers' Association:	<input type="text" value="Engineering Construction Industry Association"/>					
Year ended:	<input type="text" value="31 December 2023"/>					
List No:	<input type="text" value="244E"/>					
Head or Main Office:	<input type="text" value="5th Floor"/>					
	<input type="text" value="Broadway House"/>					
	<input type="text" value="Tothill Street"/>					
	<input type="text" value="London"/>					
	<input type="text" value=""/>					
Postcode	<input type="text" value="SW1H 9NS"/>					
Website address (if available)	<input type="text" value="www.ecia.co.uk"/>					
Has the address changed during the year to which the return relates?	<table><tr><td>Yes</td><td><input type="checkbox"/></td><td>No</td><td><input checked="" type="checkbox"/></td><td>('X' in appropriate box)</td></tr></table>	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	('X' in appropriate box)
Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	('X' in appropriate box)		
General Secretary:	<input type="text" value="J Simpson"/>					
Contact name for queries regarding the completion of this return:	<input type="text" value="John Simpson"/>					
Telephone Number:	<input type="text" value="2077992000"/>					
E-mail:	<input type="text" value="JohnSimpson@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: 0330 1093602

You should send the annual return to the following address stating the name of the union in subject:

returns@certoffice.org

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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
128			3	131

Change of Officers

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

Position held	Name of Officer ceasing to hold office	Name of Officer appointed	Date of Change
Vice President	Cameron Gilmour		18 May 2023
Vice President		Chris Foulkes	21 September 2023
Vice President		Damian Redmond	21 September 2023

Officers in post

(see note 10)

Please complete list of all officers in post at the end of the year to which this form relates.

Name of Officer	Position held
Ian Guy	President
Paul Carvill	Deputy President
Sarah Cook	Vice President
Chris Foulkes	Vice President
Damian Redmond	Vice President

Revenue Account / General Fund

(see notes 11 to 16)

Previous Year			£	£
	Income			
1,237,652	From Members	Subscriptions, levies, etc	1,366,057	1,366,057
	Investment income	Interest and dividends (gross)		
18,534		Bank interest (gross)	105,173	105,173
		Other (specify)		
39,538		Dividends	42,937	42,937
		Total Investment Income	148,110	148,110
	Other Income	Rents received		
215,791		Insurance commission	236,552	236,552
		Consultancy fees		
		Publications/Seminars		
		Miscellaneous receipts (specify)		
61,688		Other	62,776	62,776
		Investment revaluation	94,125	94,125
		Total of other income		393,453
1,573,203		Total income		1,907,620
		Interfund Transfers IN		
	Expenditure			
798,972	Administrative expenses	Remuneration and expenses of staff	812,492	812,492
135,282		Occupancy costs	139,910	139,910
15,833		Printing, Stationery, Post	9,461	9,461
		Telephones		
92,436		Legal and Professional fees	111,106	111,106
		Miscellaneous (specify)		
8,300		Regional Offices	8,300	8,300
33,104		Travel, Hotel & Entertaining	69,675	69,675
71,058		Computer expenses	99,043	99,043
21,473		PR and Marketing	15,000	15,000
14,175		Recruitment	68,809	68,809
		Total of Admin expenses		1,333,796
	Other Charges	Bank charges		
3,340		Depreciation	546	546
6,086		Sums written off	18,501	18,501
		Affiliation fees		
		Donations		
		Conference and meeting fees		
		Expenses		
		Miscellaneous (specify)		
560,000		Contributions to NJC	580,000	580,000
20,931		EEF Subscriptions and certification fee	27,536	27,536
48,620		Special projects	32,750	32,750
94,464		Investment Revaluation		
		Total of other charges		659,333
-23,616		Taxation	23,531	23,531
1,900,458		Total expenditure		2,016,660
		Interfund Transfers OUT		
327,255		Surplus/Deficit for year		-109,040
5,756,225		Amount of fund at beginning of year		5,428,970
5,428,970		Amount of fund at end of year		5,319,930

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 2		Fund Account	
Name of account:		£	£
Income	From members		
	Investment income		
	Other Income (specify)		
	Total Income		
	Interfund Transfers IN		
Expenditure	Administrative expenses		
	Other expenditure (specify)		
	Total Expenditure		
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Account 3		Fund Account	
Name of account:		£	£
Income	From members		
	Investment income		
	Other income (specify)		
	Total Income		
	Interfund Transfers IN		
Expenditure	Administrative expenses		
	Other expenditure (specify)		
	Total Expenditure		
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 4		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
	Interfund Transfers IN		
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Account 5		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
	Interfund Transfers IN		
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
	Interfund Transfers OUT		
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Balance Sheet as at [31 December 2023]

(see notes 19 and 20)

Previous Year		£	£
545	Fixed Assets (as at Page 8)		
	Investments (as per analysis on page 9)		
2,187,309	Quoted (Market value £ 2,281,434) as at Page 9		2,281,434
	Unquoted (Market value £) as at Page 9		
2,187,309	Total Investments	2,281,434	2,281,434
	Other Assets		
1,066,473	Sundry debtors	1,200,511	1,200,511
3,773,617	Cash at bank and in hand	3,492,244	3,492,244
	Stocks of goods		
	Others (specify)		
4,840,090	Total of other assets	4,692,755	4,692,755
	Total Assets		6,974,189
5,428,970	Revenue Account/ General Fund	5,319,930	
	Revaluation Reserve		
	Liabilities		
7,473	Trade Creditors	6,295	
83,850	Sundry Creditors	108,958	
1,048,182	Accrued Expenses	1,056,006	
62,250	Provisions	62,250	
397,219	Deferred Tax	420,750	
1,598,974	Total Liabilities		1,654,259
7,027,944	Total Assets		6,974,189

Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £
Cost or Valuation				
At start of period		46,190		46,190
Additions during period				
Less: Disposals				
Less: Depreciation		-46,190		-46,190
Total to end of period				
Book Amount at end of period				
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
Total of Fixed Assets				

Analysis of Investments

(see note 22)

Quoted		Other Funds
	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	Foreign & Colonial Investment Trust	1,481,480
	Schroder Managed Balanced Income	521,207
	Henderson Global Investment Trust	278,747
	Total Quoted (as Balance Sheet)	2,281,434
	Market Value of Quoted Investments	2,281,434
Unquoted	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted investments (to be specified)	
	Total Unquoted (as Balance Sheet)	
	Market Value of Unquoted Investments	

* 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 note 23)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?

Yes		No	X
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If Yes name the relevant companies:

Company name	Company registration number (if not registered in England & Wales, state where registered)
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Incorporated Employers' Associations

Are the shares which are controlled by the association registered in the association's name

Yes		No	
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If NO, please state the names of the persons in whom the shares controlled by the association are registered.

Company name	Names of shareholders
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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
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Summary Sheet

(see notes 24 to 33)

	All Funds	Total Funds
	£	£
Income		
From Members	1,366,057	1,366,057
From Investments	148,110	148,110
Other Income (including increases by revaluation of assets)	393,453	393,453
Total Income	1,907,620	1,907,620
Expenditure (including decreases by revaluation of assets)		
Total Expenditure	2,016,660	2,016,660
Funds at beginning of year (including reserves)	5,428,970	5,428,970
Funds at end of year (including reserves)	5,319,930	5,319,930
ASSETS		
Fixed Assets		
Investment Assets		2,281,434
Other Assets		4,692,755
Total Assets		6,974,189
Liabilities		
Total Liabilities		1,654,259
Net Assets (Total Assets less Total Liabilities)		5,319,930

Summary Sheet

(see notes 24 to 33)

		All Funds	Total Funds
		£	£
Income			
	From Members		
	From Investments		
	Other Income (including increases by revaluation of assets)		
	Total Income		
Expenditure			
	(including decreases by revaluation of assets)		
	Total Expenditure		
Funds at beginning of year			
	(including reserves)		
Funds at end of year			
	(including reserves)		
ASSETS			
	Fixed Assets		
	Investment Assets		
	Other Assets		
	Total Assets		
Liabilities			
	Total Liabilities		
Net Assets (Total Assets less Total Liabilities)			

Notes to the accounts

(see note 34)

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



ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

ASSOCIATION INFORMATION

Management Board

Mr I Guy
Mr M Wilkins
Mr C Foulkes
Ms S Cook
Mr M Ventre
Mr D Redmond
Mr P Carvill
Mr S Stewart
Mr S Fishlock
Mr A Waddington
Mr A Spence
Mr J Simpson

Registered office

Broadway House
Tothill Street
London
SW1H 9NS

Independent auditors

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

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ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

MANAGEMENT BOARDS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The Management Board present their report and the financial statements for the year ended 31 December 2023.

Management Board's responsibilities statement

The Management Board are responsible for preparing the Management Board's report and the financial statements in accordance with applicable law and regulations.

Trade Union and Labour Relations law requires the Management Board to prepare financial statements for each financial year. The Management Board has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under the law the Management Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Association and of the profit or loss of the Association for that period.

In preparing these financial statements, the Management Board is required to:

- select suitable accounting policies for the Association's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Management Board are 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 to enable them to ensure that the financial statements comply with the Trade Union and Labour Relations (Consolidation) Act 1992. The Management Board are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the year, after taxation, amounted to £109,040 (2022 _loss £327,255).

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

MANAGEMENT BOARDS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Management Board members

The members who served during the year were:

Mr D Hunter (Resigned 18th May 2023)
Mr I Guy
Mr M Wilkins
Mr C Gilmour (Resigned 18th May 2023)
Mr C Foulkes
Ms S Cook
Mr M Ventre
Mr P Carvill
Mr D Redmond
Mr S Stewart
Mr S Fishlock
Mr J Gibson (Resigned 18th May 2023)
Mr A Waddington (Appointed 21st September 2023)
Mr A Spence (Appointed 21st September 2023)
Mr J Simson (Appointed 18th May 2023)

Disclosure of information to auditors

Each of the persons who are Management Board members at the time when this Management Board's report is approved has confirmed that:

- so far as the Management Board is aware, there is no relevant audit information of which the Association's auditors are unaware, and
- the Management Board has taken all the steps that ought to have been taken as a member of the Management Board 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 Management Board on 07/05/2024 and signed on its behalf.

Ian Guy

Mr I Guy
Management Board

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

INDEPENDENT AUDITORS' REPORT TO THE MANAGEMENT BOARD OF ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

Opinion

We have audited the financial statements of the Engineering Construction Industry Association (the 'Association') for the year ended 31 December 2023, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 December 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the Management Boards' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Association's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Management Board's members with respect to going concern are described in the relevant sections of this report.

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

INDEPENDENT AUDITORS' REPORT TO THE MANAGEMENT BOARD OF ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The Management Board's members are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Association and its environment obtained in the course of the audit, we have not identified material misstatements in the Council Members' Report.

We have nothing to report in respect of the following matters in relation to which 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 from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Management Board's members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Management Board's members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Council Members' Report and from the requirement to prepare a Strategic report.

Responsibilities of Management Board members

As explained more fully in the Management Boards' responsibilities statement set out on page 1, the Management Board's members 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 Management Board's members 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 Management Board's members are responsible for assessing the

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

INDEPENDENT AUDITORS' REPORT TO THE MANAGEMENT BOARD OF ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION (CONTINUED)

Association'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 Management Board's members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Association, we identified that the principal risks of non-compliance with laws and regulations related to those laws and regulations that have a direct impact on the preparation of the financial statements such as the Trade Union and Labour Relations (Consolidation) Act 1992, income tax, payroll tax and sales tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks related to management bias in accounting estimates. Audit procedures performed by the engagement team included:

- discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- evaluating management's controls designed to prevent and detect irregularities;
- identifying and testing journals, in particular journal entries of unusual size or posted with unusual account combinations or descriptions; and,
- challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

**INDEPENDENT AUDITORS' REPORT TO THE MANAGEMENT BOARD OF ENGINEERING
CONSTRUCTION INDUSTRY ASSOCIATION (CONTINUED)**

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.

Haysmacintyre LLP

Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: **10th May 2024**

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

		2023	2022
	Note	£	£
Turnover		1,665,385	1,515,131
Gross profit		<u>1,665,385</u>	<u>1,515,131</u>
Administrative expenses		(1,993,129)	(1,829,610)
Operating loss		<u>(327,744)</u>	<u>(314,479)</u>
Income from fixed assets investments		42,937	39,538
Interest receivable and similar income		105,173	18,534
Fair value movements		94,125	(94,464)
Profit before tax		<u>(85,509)</u>	<u>(350,871)</u>
Tax on profit	4	(23,531)	23,616
Profit/(loss) for the financial year		<u>(109,040)</u>	<u>(327,255)</u>

There was no other comprehensive income for 2023 (2022-£NIL).

The notes on pages 10 to 18 form part of these financial statements.

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION
REGISTERED NUMBER:

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	2023	2022
		£	£
Fixed assets			
Tangible assets	5	-	545
Investments	6	2,281,434	2,187,309
		<u>2,281,434</u>	<u>2,187,854</u>
Current assets			
Debtors: amounts falling due within one year	7	1,200,511	1,066,473
Current asset investments	8	2,500,000	3,000,000
Cash at bank and in hand		992,244	773,617
		<u>4,692,755</u>	<u>4,840,090</u>
Creditors: amounts falling due within one year	9	(1,171,259)	(1,139,505)
		<u>3,521,496</u>	<u>3,700,585</u>
Net current assets		<u>3,521,496</u>	<u>3,700,585</u>
Total assets less current liabilities		<u>5,802,930</u>	<u>5,888,439</u>
Provisions for liabilities			
Deferred tax	10	(420,750)	(397,219)
Other provisions		(62,250)	(62,250)
		<u>(483,000)</u>	<u>(459,469)</u>
Net assets		<u><u>5,319,930</u></u>	<u><u>5,428,970</u></u>
Capital and reserves			
Profit and loss account		5,319,930	5,428,970
		<u><u>5,319,930</u></u>	<u><u>5,428,970</u></u>

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

The financial statements were approved and authorised for issue by the Management Board and were signed on its behalf on 07/05/2024

Ian Guy

Mr I Guy
Management Board

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Profit and loss account	Total equity
	£	£
At 1 January 2022	5,756,225	5,756,225
Profit for the year	(327,255)	(327,255)
At 1 January 2023	<u>5,428,970</u>	<u>5,428,970</u>
Loss for the year	(109,040)	(109,040)
At 31 December 2023	<u><u>5,319,930</u></u>	<u><u>5,319,930</u></u>

The notes on pages 10 to 18 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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, environment, 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 an Employers' Association and domiciled in England. The address of its registered office is Broadway House, Tothill Street, London.

1.2 Statement of Compliance

The financial statements of the 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. 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.

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Association's accounting policies. See Note 2.15.

2.2 Going concern

The Management Board has reviewed the Association's forecasts and considered the impact of the pandemic on going concern, concluding that the going concern basis remains an appropriate basis of preparation for these financial statements given the likely cash flows 12 months from the date of signing this report.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Association and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover consists of members subscriptions, insurance commissions, and sundry income. Members subscriptions are recognised in the subscription year to which they relate. Insurance commissions are recognised in the month in which the related insurance policies commence, and the profit commission arising on insurance policies is recognised on an annual basis at the point it can be reliably measured. Sundry income is recognised in the period in which it is earned.

2.4 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.

2.5 Employee benefits

The Association provides a range of benefits to employees, including paid holiday arrangements and a defined 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 Statement of Financial Position.

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

2.6 Tangible fixed assets

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

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

The estimated useful lives range as follows:

Office equipment	- 2 to 5 years
Computer equipment	- 2 to 5 years

2.7 Operating leases: the Association as lessee

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.

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

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 Income Statement on a straight-line basis over the period of the lease.

2.8 Dilapidation provision

The Association makes provision for dilapidation on the property that it occupies which is expected to be payable at the end of the lease term.

2.9 Valuation of investments

Investments in listed securities are remeasured to market value at each Statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

Investments in listed company shares are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.10 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.

2.11 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.

2.12 Financial instruments

The Association only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)

2.12 Financial instruments (continued)

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 Statement of comprehensive income.

2.13 Creditors

Short term creditors are measured at the transaction price.

2.14 Current and deferred taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Income Statement, 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.

(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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.15 Judgments in applying accounting policies and key sources of estimation uncertainty

In the process of applying its accounting policies, the Association is required to make certain estimates, judgements and assumptions that it believes are reasonable based on information available. These judgements, estimates and assumptions affect the amounts of assets and liabilities at the date of the financial statements and the amounts of revenues and expenses recognised during the reporting periods presented.

The financial statements include a provision for dilapidations and the costs associated with the removal of the fixtures and fittings and the alterations that have been made to the leased offices. The size of the provision is an area involving estimation and judgement. The current provision is based on management's current best estimate of the future obligation, having taken into account the size and condition of the office and the extent of the alterations that have been made to it.

3. Employees

Staff costs were as follows:

	2023 £	2022 £
Wages and salaries	572,421	598,197
Social security costs	66,255	74,379
Cost of defined contribution scheme	42,748	33,386
	<u>681,424</u>	<u>705,962</u>

The average monthly number of employees during the year was 8 (2021 - 9) .

4. Taxation

	2023 £	2022 £
Total current tax	-	-
Deferred tax		
Capital (losses)/gains	23,531	(23,616)
Total deferred tax	<u>23,531</u>	<u>(23,616)</u>
Taxation on profit on ordinary activities	<u>23,531</u>	<u>(23,616)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

4. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022 - higher than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	<u>(86,509)</u>	<u>(350,871)</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.52% (2022 - 19%)	(20,112)	(66,665)
Effects of:		
Fixed Asset differences	-	(121)
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	176	17,948
Non-taxable income	(9,463)	(7,113)
Income not taxable for tax purposes	(22,139)	-
Chargeable gains	22,139	(17,948)
Rate change adjustment	52,930	50,284
Total tax charge for the year	<u>23,531</u>	<u>(23,616)</u>

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost			
At 1 January 2023	38,242	7,948	46,190
At 31 December 2023	<u>38,242</u>	<u>7,948</u>	<u>46,190</u>
Depreciation			
At 1 January 2023	37,697	7,948	45,645
Charge for the year on owned assets	545	-	545
At 31 December 2023	<u>38,242</u>	<u>7,948</u>	<u>46,190</u>
Net book value			
At 31 December 2023	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2022	<u>545</u>	<u>-</u>	<u>545</u>

6. Fixed asset investments

	Listed investments £
Valuation	
At 1 January 2023	2,187,309
Revaluations	94,125
At 31 December 2023	<u>2,281,434</u>

The cost of investments recognised above is £408,257 (2022: £408,257).

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7. Debtors

	2023 £	2022 £
Trade debtors	1,076,248	1,022,730
Other debtors	12,197	11,516
Prepayments and accrued income	112,066	32,227
	<u>1,200,511</u>	<u>1,066,473</u>

8. Current asset investments

	2023 £	2022 £
Cash held on deposit	2,500,000	3,500,000
	<u>2,500,000</u>	<u>3,500,000</u>

9. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	6,295	7,473
Other taxation and social security	100,084	82,428
Other creditors	8,874	1,422
Accruals and deferred income	1,056,006	1,048,182
	<u>1,171,259</u>	<u>1,139,505</u>

10. Deferred taxation

	2023 £	2022 £
At beginning of year	(397,219)	(420,835)
Charged to the Income Statement	(23,531)	23,616
At end of year	<u>(420,750)</u>	<u>(397,219)</u>

ENGINEERING CONSTRUCTION INDUSTRY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

10. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Capital gains	(420,750)	(397,219)
	<u>(420,750)</u>	<u>(397,219)</u>

11. Pension commitments

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

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 £42,748 (2022 - £33,386) and has been recognised in the Income Statement. As at the Statement of Financial Position date, there are liabilities of £8,874 to be paid over to the fund (2022 - £274).

12. Commitments under operating leases

At 31 December 2023 the Association had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	51,300	51,300
	<u>51,300</u>	<u>51,300</u>

13. Controlling party

The members of the Association are the ultimate controlling party.

Accounting policies


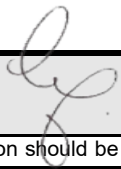
(see notes 35 & 36)

Signatures to the annual return

(see notes 37 and 38)

Including the accounts and balance sheet contained in the return.

Please copy and paste your electronic signature here

Secretary's Signature:		Chairman's Signature:	
			(or other official whose position should be stated)
Name:	Mr John Simpson	Name:	Mr Ian Guy
Date:	22 July 2024	Date:	22 July 2024

Checklist

(see note 39)

(please enter 'X' as appropriate)

Is the return of officers attached? (see Page 2)	Yes	X	No	
Has the list of officers been completed? (see Page 2A)	Yes	X	No	
Has the return been signed? (see Note 37)	Yes	X	No	
Has the auditor's report been completed? (see Note 41)	Yes	X	No	
Is the rule book enclosed? (see Note 39)	Yes	X	No	
Has the summary sheet been completed? (see Notes 6 and 24 to 33)	Yes	X	No	

Checklist for auditor's report

(see notes 41 to 44)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

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)

Please explain in your report overleaf or attached.

2. 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)

Please explain in your report overleaf or attached.

3. Your auditors or auditor must include in their report the following wording:

In our opinion the financial statements:

- **give a true and fair view of the matters to which they relate to.**
- **have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.**

Auditor's report (continued)



Signature(s) of auditor or auditors:	<i>Haysmacintyre LLP</i>	
Name(s):	Haysmacintyre LLP	
Profession(s) or Calling(s):	Chartered Accountants	
Address(es)	10 Queen St Place London EC4R 1AG	
Date:	23 July 2024	
Contact name for enquiries and telephone number:	Kathryn Burton - 020 7969 5515	

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