

THE SOCIETY OF CONSTRUCTION LAW

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

THE SOCIETY OF CONSTRUCTION LAW

REPORT OF THE MEMBERS OF THE COUNCIL

The Council have pleasure in submitting the report and accounts of the Society of Construction Law for the year ended 31 December 2013.

The Society of Construction Law was established to promote for the public benefit, education, study and research in the field of construction law and related subjects both in the UK and overseas. An elected council comprising of 20 members runs the society; there are 4 officers who are also members of the council. The Society is governed by its constitution which was last amended and adopted on 16 May 2012.

TREASURER'S REVIEW

In the last year the income of the Society has increased due to the number of events being arranged. The income from subscriptions has seen a slight reduction, despite an increase in members, as a result of more members opting to receive newsletters and papers electronically. The Society continues to grow, with new members joining in the UK and internationally. With increased membership, the Society has increased the range of its activities. Costs have been kept under control, with the result that the accounts continue to show a surplus of income over expenditure.

We owe much of our ongoing success to the support provided by Jill Ward, Frances Whitehead, Edward Peters our webmaster and Simon Hogg for IT support. Thanks also go to support from our President and past Chairmen, McKenzies our accountants, Baker Tilly our Auditors, our other consultants and to our regional representatives who provide so much support.

The Society has produced a net surplus in the last year. The Society remains in a sound and improving financial position in what are difficult financial times.

DONATIONS

Donations of £4,000 were made to Macmillan Cancer Support (2012 : £3,000 to Macmillan Cancer Support, £125 to Mind and £1,000 to the Wakefield Hospice).

STATEMENT OF THE COUNCIL'S RESPONSIBILITIES

The Council is required under the constitution of the Society to have financial statements prepared for each financial year which give a true and fair view of the state of affairs of the Society as at the end of the financial year, the surplus or deficiency for that period, and that in the preparation of these financial statements;

- it has followed United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law),
- appropriate accounting policies have been used and applied consistently,
- the going concern basis has been applied,
- reasonable and prudent accounting judgements and estimates have been made.

The Council is responsible for maintaining adequate accounting records, for safeguarding the assets of the Society and for preventing and detecting fraud and other irregularities.

By order of the Council

**R Bailey
Chairman**

2014

**NON STATUTORY INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE SOCIETY OF CONSTRUCTION LAW**

We have audited the non-statutory financial statements on pages 3 to 7. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

Respective responsibilities of Members of Council and auditor

As more fully explained in the Statement of the Council's Responsibilities set out on page 1, the Members of Council are responsible for the preparation of the non-statutory financial statements and for being satisfied that they give a true and fair view. We have been engaged to audit and express an opinion on the non-statutory financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

We read the non-statutory Report of the Members of Council and consider the implications for our report if we become aware of any apparent misstatements within it.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

Opinion on non-statutory financial statements

In our opinion the non-statutory financial statements:

- give a true and fair view of the state of the Society's affairs as at 31 December 2013 and of its profit for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Baker Tilly UK Audit LLP

Chartered Accountants
2nd Floor, STC House
7 Elmfield Road
Bromley
Kent
BR1 1LT

2014

THE SOCIETY OF CONSTRUCTION LAW
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
Income			
Subscriptions		237,791	224,059
Sale of papers		3,750	2,382
Launch & publication of SCL Protocol		20	170
Other meetings	6	129,068	221,188
Lecture programme		6,606	-
Interest	2	926	723
Sundry income		2,364	868
		<u>380,525</u>	<u>449,390</u>
		=====	=====
Expenditure			
Newsletter, membership directory and publication of papers		46,505	40,276
Grants and awards		18,246	23,852
Hudson and King's prizes		4,068	459
Lecture programme		20,636	20,124
SCL Delay Protocol		1,495	-
Advocacy training		3,911	(50)
Public relations		-	194
SCL expenses in the UK		-	5,679
SCL expenses overseas		592	1,500
SCL Consultant expenses	3	85,698	102,923
Bank charges		94	158
IT and Web site		10,277	12,965
Audit		8,300	6,460
Subscriptions		536	535
Regions		54	90
Accountancy		6,425	8,825
Professional fees		926	-
Donations		4,000	4,125
Foreign exchange differences		93	-
Other meetings	6	122,064	190,989
		<u>333,920</u>	<u>419,104</u>
		=====	=====
Excess of income over expenditure before taxation		46,605	30,286
Taxation	4	185	148
Excess of income over expenditure after taxation		<u>£46,420</u>	<u>£30,138</u>
		=====	=====

There are no other recognised gains or losses other than the surplus for the year disclosed above.

The excess of income over expenditure relates to continuing activities.

THE SOCIETY OF CONSTRUCTION LAW

BALANCE SHEET

AT 31 DECEMBER 2013

	Notes	2013		2012	
		£	£	£	£
Current assets					
Trade debtors		22,986		14,464	
Other debtors		418		3,830	
Prepayments and accrued income		25,116		21,003	
Cash at bank		369,393		289,913	
National savings investment account		101,233		100,479	
		—————		—————	
			519,146		429,689
Less					
Creditors: Amounts due in less than one year	5	(195,685)		(152,648)	
		—————		—————	
			(195,685)		(152,648)
			—————		—————
Net current assets			£323,461		£277,041
			=====		=====
Accumulated funds					
Surplus brought forward			277,041		246,903
Income and expenditure account					
Surplus for the year			46,420		30,138
			—————		—————
Balance carried forward			£323,461		£277,041
			=====		=====

The financial statements on pages 3 to 7 were approved and authorised for issue by the Council on 2014 and were signed on its behalf by :

.....
M Wheeler
Treasurer

.....
R Bailey
Chairman

THE SOCIETY OF CONSTRUCTION LAW
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

1. **Accounting policies**

Basis of Accounting

The non statutory financial statements are prepared under the historical cost convention and in accordance with applicable accounting policies.

Fees

Membership fees are included in income on a receivable basis but excluding amounts considered doubtful of collection. Commission paid on income received is recognised when paid. The subscription period runs from 1 January to 31 December. Subscriptions received after 30 September are treated as deferred income for the following year.

2. **Interest**

The interest earned in the year comprises:

	2013	2012
	£	£
Interest on National Westminster Bank Accounts	172	147
Interest on National Savings Investment Account	754	576
	926	723
	926	723

3. **SCL Consultant Expenses**

	2013	2012
	£	£
During the year consultant expenses were paid in respect of:		
P Britton	3,280	7,200
S Hogg	7,517	6,381
F Patterson	8,718	9,270
E Peters	8,221	8,622
J Bertram Hillig	960	1,656
J Ward	35,195	47,535
F Whitehead	21,807	22,259
	£85,698	£102,923
	£85,698	£102,923

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

4. Taxation

	2013	2012
	£	£
The taxation charge for the year comprises:		
Current year tax due on National Westminster Bank and National Savings Investment Accounts interest at 20.00% (2012 : 20.00%)	185	144
Underprovision re prior year	-	4
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
	185	148
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5. Creditors: Amounts falling due in less than one year

	2013	2012
	£	£
Trade creditors and accruals	34,227	32,888
Deferred income	161,192	118,632
Taxation	266	115
Other taxation	-	1,013
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
	195,685	152,648
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

6. Other meeting expenses

Meeting	Income	Expenditure	Gross Profit/ (loss)
SCL Events – AGM	16,090	(19,171)	(3,081)
SCL Events – Brewery	54,510	(37,584)	16,926
SCL Events – Scottish Lunch	13,031	(5,841)	7,190
SCL Events – Leeds Lunch	15,008	(6,761)	8,247
SCL Events – Dublin Lunch	10,016	(11,730)	(1,714)
SCL Events – Bristol Lunch	5,625	(7,230)	(1,605)
30 th Anniversary party	7,109	(21,180)	(14,071)
International Conference	658	-	658
Joint Events	(120)	-	(120)
SCL Junior Events	7,141	(8,909)	(1,768)
Other Events	-	(3,658)	(3,658)
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
	129,068	(122,064)	7,004
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

THE SOCIETY OF CONSTRUCTION LAW
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

7. **Reserves**

	2013	2012
	£	£
Funds at 1 January 2013	277,041	246,903
Surplus for the year	46,420	30,138
	—————	—————
Funds at 31 December 2013	323,461	277,041
	=====	=====